

1 UNITED STATES DISTRICT COURT
2 NORTHERN DISTRICT OF OHIO
3 EASTERN DIVISION
4

5 -----) MDL No. 2804

6 IN RE NATIONAL PRESCRIPTION)

7 OPIATE LITIGATION) Case No. 17-md-2804

8)

9 This document relates to:) Hon. Dan A. Polster

10 All Cases)

11 -----) VOLUME I

12

13 HIGHLY CONFIDENTIAL

14 SUBJECT TO FURTHER CONFIDENTIALITY REVIEW

15

16 The videotaped deposition of STEPHEN SEID,
17 called for examination, taken pursuant to the Federal
18 Rules of Civil Procedure of the United States District
19 Courts pertaining to the taking of depositions, taken
20 before JULIANA F. ZAJICEK, a Registered Professional
21 Reporter and a Certified Shorthand Reporter, at the
22 offices of Dechert LLP, Suite 3400, 35 West Wacker
23 Drive, Chicago, Illinois, on December 12, 2018, at
24 1:43 p.m.

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20 REPORTED BY: JULIANA F. ZAJICEK, RPR, CSR 84-2604.

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1	I N D E X		
2	WITNESS:		PAGE:
3	STEPHEN SEID		
4	EXAM BY MS. CONROY.....		10
5			
6	*****		
7	E X H I B I T S		
8	PURDUE-SEID EXHIBIT		MARKED FOR ID
9	No. 001 Second Amended Notice of		10
10	Deposition		
11	No. 002 Press release from had, dated		12
12	3/10/2015		
13	No. 003 Pamphlet from Partners Against		57
14	Pain; PDD1501720706 - 714		
15	No. 004 National Accounts Memorandum,		104
16	5/21/97, From Lang To Green;		
17	PKY181715440 - 443		
18	No. 005 PowerPoint presentation titled		110
19	"Living Our Vision";		
20	PPLPC008000018733		
21	No. 006 E-mail chain, top one from Stephen		123
22	Seid to Janet Koch, 12/13/06,		
23	Subject: FW: Phase I Presentation		
24	Slides with attachment,		
	NEWHIRE2006REV3.PPT;		
	PPLPC004000092270 - 271		
	No. 007 E-mail chain, top one from Stephen		140
	Seid to Janet Koch, among others,		
	8/20/10, Subject: FW: August 11th		
	Level 150 Slide Decks from Steve		
	Seid, with attachment		
	NEWHIRE2008LEV150Aug11.ppt;		
	PPLPC004000247116 - 118		

	E X H I B I T S (Continued)		
	PURDUE-SEID EXHIBIT		MARKED FOR ID
1			
2			
3	No. 008	E-mail from Steven Projansky to Stephen Seid, 11/29/2012, Subject: Managers' Meeting Presentation, with attachment Manager Meeting - National Accounts - 12-05-12.pptx; PPLPC004000341299 - 300	147
4			
5			
6			
7	No. 009	Draft document titled "Channel Operations Standard Operating Procedures"; PPLPC032000374808 - 823	156
8			
9	No. 010	E-mail from Gregory Bogdan to Steven Projansky, Stephen Seid, 1/14/13, Subject: Fee For Service SOP,w/attachment FFS SOP - DRAFT 1.14.doc; PPLPC004000344799 - 818	158
10			
11			
12	No. 011	E-mail from Nurudin Veerjee to Steve Projansky, Stephen Seid, Tina Mosley, 9/9/2013, Subject: Purdue-McKesson Authorized Distribution Agreement w/attachment Purdue-McKesson Authorized Distributor Agreement (ADA) Clean 09-08-13.doc; PPLPC004000371161 - 205	176
13			
14			
15			
16			
17	No. 012	E-mail from Cheryl Siciliano to Stephen Seid, 6/27/06, Subject: Shelton's Memor with attachment 062606 Shelton Benson.doc; PPLPC004000073279 - 281	185
18			
19			
20	No. 013	E-mail chain, top one from Shelton Benson to Stephen Seid, Cheryl Siciliano, 9/13/10, Subject: FW: McKesson Connect, re: OxyContin DirectRx Ad Report 8-16-10; PPLPC004000249167 - 169	194
21			
22			
23			
24			

1 E X H I B I T S (Continued)

2 PURDUE-SEID EXHIBIT MARKED FOR ID

3 No. 014 E-mail chain, top one from Stephen 204
Seid to Shelton Benson, 8/4/2010,
4 Subject: RE: McKesson Connect
program; PPLPC004000245298 - 299

5

No. 015 E-mail chain, top one from Stephen 204
6 Seid to Shelton Benson, 8/5/10,
Subject: Re: McKesson Connect
7 program; PPLPC004000245474 - 475

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1 THE VIDEOGRAPHER: We are now on the record. My
2 name is Ben Stanson. I am a videographer for Golkow
3 Litigation Services. Today's date is December 12th,
4 2018, and the time is 1:43 p.m.

5 This video deposition is being held in
6 Chicago, Illinois In the Matter of National
7 Prescription Opioid Litigation, MDL No. 2804, pending
8 in the US District Court, Northern District of Ohio,
9 Eastern Division.

10 The deponent is Stephen Seid.

11 Counsel will be noted on the stenographic
12 record.

13 The court reporter is Juliana Zajicek.
14 Will you please swear in the witness.

15 (WHEREUPON, the witness was duly
16 sworn.)

17 MS. CONROY: Nathan, did you want to talk about
18 the protective order?

19 MR. HOFFMAN: Oh, yeah. I'm sorry.

20 Just again, I'll just put on the record
21 that all who are present here in person or attending
22 by phone have agreed to be bound by applicable terms
23 of confidentiality orders in place in the MDL and
24 state cases unless you state otherwise.

1 We hear nothing, so all are bound. Thank
2 you.

3 MS. CONROY: Thank you.

4 (WHEREUPON, a certain document was
5 marked Purdue-Seid Deposition Exhibit
6 No. 001, for identification, as of
7 12/12/2018.)

8 STEPHEN SEID,
9 called as a witness herein, having been first duly
10 sworn, was examined and testified as follows:

11 EXAMINATION

12 BY MS. CONROY:

13 Q. Good afternoon, Mr. Seid.

14 A. Good afternoon.

15 Q. We met this morning, had the opportunity
16 to have -- for me to learn a little bit about you.

17 Let me show you what I've marked as
18 Exhibit 1. There are also some copies attached there.

19 A. Okay.

20 Q. Have you seen -- Exhibit 1 is the second
21 Amended Notice of Deposition of yourself, Stephen
22 Seid, a former employee of Purdue Pharma.

23 Have you seen this document before?

24 A. Yes.

1 Q. And I know we spoke earlier today about
2 you had met with counsel in preparation for your
3 30(b)(6) deposition.

4 Do you recall that?

5 A. Yes.

6 Q. Was there any distinction made with
7 respect to preparing for the 30(b)(6) deposition and
8 preparing for this deposition?

9 A. No.

10 Q. And your counsel, your personal counsel
11 today is Julie Porter?

12 A. Yes, she is.

13 Q. And Purdue's counsel Nathan Hoffman is
14 here as well?

15 A. Yes.

16 Q. And were both present during your prep --
17 preparation sessions?

18 A. That's correct.

19 Q. Did you bring any documents with you today
20 with respect to your deposition this afternoon?

21 A. No, I did not.

22 Q. You can put that one away.

23 (WHEREUPON, a certain document was

24 marked Purdue-Seid Deposition Exhibit

1 No. 002, for identification, as of
2 12/12/2018.)

3 BY MS. CONROY:

4 Q. Let me show you what we have marked as
5 Exhibit 2.

6 Exhibit 2 is a document entitled "News"
7 from HDA, and it says it is a press release.

8 "HDMA recognizes former Purdue Pharma
9 executive Stephen Seid with Distribution Management
10 Award for Industry Leadership," dated March 10th of
11 2015.

12 Do you see that?

13 A. Yes.

14 Q. Have you seen this document before?

15 A. Yes, I saw the press release.

16 Q. Okay. And is H -- you see up at the top
17 it says "HDA"?

18 A. Yes.

19 Q. Is that -- is that the same as HDMA, do
20 you know?

21 A. It is the same. They rebranded.

22 Q. Okay. So HDA is the updated brand?

23 A. Right.

24 Q. Okay. Were you present to receive this

1 industry leadership award?

2 A. Yes, I was.

3 Q. And I -- it looks like it might be helpful
4 to go through this document because it explains, and
5 we can take a look at it, some of your background.

6 A. Okay.

7 Q. Okay. And if you look toward the --
8 toward the bottom of Exhibit 2, it has that you have a
9 career -- had a career with Purdue for 35 years.

10 Does that sound right?

11 A. It is 38-and-a-half actually.

12 Q. Ah, okay.

13 And you started, as it says here -- is
14 this correct, you began as a sales representative?

15 A. That is correct.

16 Q. What were your responsibilities as a sales
17 representative?

18 A. The promotion of Purdue products to
19 retailers -- to physicians, pharmacies and to
20 wholesalers at that time.

21 Q. Physicians, pharmacies and wholesalers?

22 A. Yes.

23 Q. And what was your -- did you have a
24 territory?

1 A. Yes. My territory was primarily in
2 New Jersey with beautiful north New Jersey as the
3 centerpiece.

4 Q. Okay. And for how long were you a sales
5 representative?

6 A. Five years.

7 Q. And what were your products that --
8 what -- what were the years, do you remember?

9 A. December 8th, 1975, until November 1st,
10 1980.

11 Q. What was your --

12 A. I remember that.

13 Q. -- educational background before you went
14 to work for Purdue?

15 A. I had a bachelor's degree from Rutgers
16 University and I did -- had done some graduate work
17 also at Rutgers in education.

18 Q. What was your major at Rutgers?

19 A. Political science. I wanted to be
20 governor.

21 Q. There is still time.

22 A. I'm not interested now.

23 Q. Did you -- you graduated with a -- a BA?

24 A. Yes.

1 Q. And that was what year?

2 A. 1971.

3 Q. And then did some graduate work. Did --
4 have you received a master's?

5 A. No, I didn't. I was two credits short,
6 actually.

7 Q. Do you have -- do you hold a Ph.D.?

8 A. No.

9 Q. And you -- and you are not a medical
10 doctor?

11 A. No.

12 Q. And what did you do after you graduated
13 from Rutgers?

14 A. After grad -- I graduated from Rut- --
15 Rutgers I taught for a couple of years and I then went
16 to work for a company I had worked summer jobs in
17 college, which was a construction materials testing
18 firm, and I wound up getting my sales experience with
19 them.

20 Q. Okay. And who did you sell to with -- at
21 the construction firm?

22 A. Contractors, architects, engineers,
23 municipalities.

24 Q. Was there a product involved or were

1 you --

2 A. Service.

3 Q. Service, okay.

4 And then did you -- how did you hear about
5 Purdue?

6 A. I got a little brochure at the Rutgers
7 Postgraduate Resource Center that said, "Would you
8 like to be a pharmaceutical rep?" And I sent a -- a
9 resume, a blind resume.

10 Q. And were you interviewed for the position?

11 A. Yes, I was.

12 Q. And I take it you received a job offer
13 shortly thereafter?

14 A. I did.

15 Q. And then you began to work on December 8th
16 in 1975?

17 A. Yes, I did.

18 Q. And were you -- did you receive any
19 training as a sales representative?

20 A. Yes. I received training -- both
21 corporate training and training from my then district
22 manager.

23 Q. What did the corporate training look like?

24 A. I actually got extra corporate -- because

1 of the time of the year, I actually got extra
2 corporate training, and that was a week in corporate,
3 and then I came back after six months and got an --
4 received another week of corporate training.

5 Q. And what is corporate training?

6 A. It was training with other new sales
7 representatives and it was being -- disease state
8 training, product training, some sales training.

9 Q. Do you recall what disease states you were
10 trained on?

11 A. Well, primarily we were selling
12 antiseptics and laxatives at the time, so it was
13 selling against infection, mostly topical infection,
14 and then any disease states where constipation was the
15 main issue.

16 Q. And what were the products at that time?

17 A. I sold Betadine antiseptics, Senokot
18 laxatives, a product called Cerumenex for the removal
19 of ear wax, X-Prep, which was a bowel evacuant prior
20 to colonoscopy. Needless to say, I was not the person
21 who was a hit at a cocktail party with those topics to
22 talk about my job.

23 Q. I don't know. It is kind of unusual
24 stuff.

1 I know you had some -- you talked about
2 sales training. Is that sort of just how to sell
3 to --

4 A. How to present the products, yeah.

5 Q. And you would speak with physicians, is
6 that correct?

7 A. Yes, primarily physicians, that was...

8 Q. And was Betadine a product that was
9 prescribed by a physician?

10 A. It was recommended. It was over --
11 over-the-counter. So it was used for various
12 conditions, for topical use. There was skin wash,
13 feminine hygiene line, a -- we'd -- we'd also sell to
14 hospitals because it was used preoperatively.

15 Q. At the time that you started and the
16 products were the antiseptics and laxatives, were any
17 of them prescription products?

18 A. The only prescription product was
19 Cerumenex and that was the ceruminolytic.

20 Q. That was the ear wax removal?

21 A. Yes.

22 Q. That was a -- that was a prescription
23 product?

24 A. Yes.

1 Q. And what type -- what types of physicians
2 did you call on?

3 A. We called on almost all types. General
4 practice was a big focus, but we'd call on surgeons a
5 lot, orthopedics, internal medicine.

6 Q. And you had a particular territory?

7 A. I had a particular territory.

8 Q. And you reported to a district manager?

9 A. I reported to a district manager.

10 Q. And for how long -- you remained -- were
11 you a sales representative in that northern New Jersey
12 territory until 1975?

13 A. Yeah, I was pretty much the same territory
14 for all five years.

15 Q. Did the products remain the same?

16 A. There were some additions after that.
17 There was a product for arthritis that we began
18 selling called Arthropan. There was a product for
19 arrhythmia called Cardioquin. There was another --
20 and there was a bronchodilator called Phyllocontin.

21 Q. Were those prescription drugs?

22 A. And also a product called Trilisate, which
23 is an -- for arthritic pain. And those -- those were
24 prescription.

1 Q. And did you receive any additional
2 training with respect to those disease states, such as
3 arthritis or cardiac issues?

4 A. Yes, there was extensive training,
5 extent -- extensive classroom training, meeting
6 training, home -- home schooling.

7 Q. And what about the -- would that have been
8 considered corporate training or was that something
9 else?

10 A. There was a combination of corporate, self
11 training, meeting modules that were prepared by the
12 training department.

13 Q. And did you have the same district manager
14 for those additional prescription drugs?

15 A. No. My -- they changed. My district
16 manager changed from my original to more -- so there
17 were three people over the five years.

18 Q. Did -- did you receive a commission on
19 these products?

20 A. I received a bonus.

21 Q. Okay. And did you receive the bonus at
22 the end of every year or was it based on sales over a
23 particular period of time?

24 A. It was based on sales quarterly and for

1 those years it was based on -- it was a team bonus.

2 So I had a team of five other people, four or five.

3 Q. Trilisate was the arthritic pain drug?

4 A. Yes.

5 Q. And what kind of a -- was it -- what kind
6 of a drug? Was it an opioid or...?

7 A. It was a salicylate.

8 Q. And what is a salicylate?

9 A. Simple way to put it is like aspirin,
10 except this was an aspirin that wouldn't burn holes in
11 your stomach --

12 Q. And a --

13 A. -- due to the formulation.

14 Q. And was that a -- did Purdue hold a patent
15 on that drug, if you know?

16 A. I believe they did, yeah.

17 Q. And what was it indicated for?

18 A. For the treatment of arthritis pain,
19 rheumatoid or osteo.

20 Q. What happened in 1975? Did you change
21 responsibilities or did you get promoted?

22 A. '75 is when I started.

23 Q. Oh, I'm sorry. 1980. November 1st of
24 1980 --

1 A. I became a district manager.

2 MS. PORTER: Be sure to let her finish her
3 question.

4 THE WITNESS: Okay.

5 BY MS. CONROY:

6 Q. And that was a promotion?

7 A. Yes.

8 Q. And what was your territory?

9 A. At that time it was most of New York,
10 New Jersey, most of New York State, Vermont and about
11 a third of Pennsylvania.

12 Q. And did you -- were you promoted into the
13 position that the district manager that you had during
14 your -- when you were a sales rep, is that the
15 position that you took?

16 A. I replaced that person, yes.

17 Q. Who did you replace?

18 A. A guy named Vern Walker.

19 Q. And did he -- was he likewise promoted or
20 did he leave the company?

21 A. No, he went -- he went to work for a
22 company that is long defunct called Cooper.

23 Q. And did -- at the time that you became a
24 district manager in November of 1980, did the products

1 that you described for me remain the same?

2 A. Well, we added products, additional
3 products.

4 Q. After 1980?

5 A. And after 1980 we were promoting Uniphyl,
6 a product called Prioderm for the treatment of head
7 lice, and in '85 we launched MS Contin. We had a
8 product for a short period of time prior to that
9 called DHC Plus, which was a pain medication.

10 Q. What kind of a pain medication was that?

11 A. It was dihydrocodeine. Dihydrocodeine, a
12 combination product with caffeine, and I'm trying to
13 remember the third portion.

14 Q. Is that a prescription product?

15 A. It was prescription also.

16 Q. Did Purdue hold a patent on that product?

17 A. I don't believe so.

18 Q. What was Uniphyl?

19 A. Uniphyl was a bronchodilator for the
20 treatment of asthma, COPD.

21 Q. And then MS Contin in 1985?

22 A. Um-hum.

23 Q. And for how long did you remain a district
24 manager?

1 A. Until November of 1990.

2 Q. So for ten years?

3 A. Um-hum, I think that's right.

4 I'm sorry. It was November of 1989. It
5 was nine years.

6 Q. 1989?

7 A. Um-hum.

8 Q. Okay. And did your territory remain the
9 same?

10 A. As a district manager, no, that -- I -- I
11 was primarily on the East Coast but I had various
12 districts that ran from Baltimore to Maine.

13 Q. And that would somewhat change over the
14 nine years?

15 A. It would change, yeah, periodically over
16 those as we added sales reps and districts, it would
17 be realigned.

18 Q. Did you report to a regional manager?

19 A. I reported to a regional manager, yes.

20 Q. And was it the same regional manager
21 throughout the nine years?

22 A. Yes, it was.

23 Q. Who was that?

24 A. Jim Lang.

1 Q. Did you know Russell Gasdia at that time?

2 A. I knew Russell when he got hired, yeah.

3 Q. And how -- what was he hired as?

4 A. Hospital rep, I believe.

5 Q. Okay. And did you -- was he -- did you
6 work with him?

7 A. Not directly, not at -- not at that time.
8 When he became a district manager, we worked together,
9 but not before that.

10 Q. For how long -- what happened after
11 November of 1989?

12 A. I was promoted to regional manager.

13 Q. Was Mr. Lang promoted at the same time?

14 A. He was promoted at the same time.

15 Q. And what was your territory or how would
16 you describe your territory?

17 A. I was the eastern regional manager. The
18 responsibility at that time was from Maine to
19 Baltimore and west to Pittsburgh -- no -- yeah, west
20 to Pittsburgh, but the -- Pittsburgh lasted just a
21 short period of time. I lost that fairly quickly. I
22 got it back. The region changed also over the
23 11 years I did that job.

24 Q. So you were a regional manager for the

1 eastern region and there may have been some changes in
2 that?

3 A. Yes.

4 Q. For 11 years?

5 A. Yes, until 1990. I mean, until 2000.

6 Q. Until 2000, okay.

7 A. I'm sorry.

8 Q. So from November of 1989?

9 A. Until October of 1990 -- until --

10 Q. Of 2000?

11 A. Until 2000. Sorry.

12 Q. You were the regional manager?

13 A. Yes.

14 Q. And it was the Eastern Division or
15 something like that?

16 A. Something like that.

17 Q. And you had district managers that
18 reported to you?

19 A. I had district managers reporting to me.

20 Q. And the district managers had sales reps
21 that reported to them?

22 A. Correct.

23 Q. Who did you report to during the time that
24 you were a regional manager?

1 A. Initially Jim Lang, then to a gentleman
2 named Mark Alphonso, and then to Russ Gasdia.

3 Q. Was Jim Lang promoted -- what -- what was
4 Jim Lang's title when you were reporting to him when
5 you were a regional manager?

6 A. He was national sales manager and then --

7 Q. And when he -- he was -- he was promoted
8 from that job?

9 A. He became VP of sales and then eventually
10 VP of sales and marketing.

11 Q. Was Mark Alphonso, then, national sales
12 manager?

13 A. He was the national sales manager, yeah.

14 Q. Okay. Was he promoted past that?

15 A. He became the vice president of marketing.

16 Q. And was he promoted beyond that?

17 A. No, not that I'm --

18 Q. And --

19 A. -- aware of, no.

20 Q. Okay. And Russ Gasdia then became
21 national sales manager?

22 A. Correct.

23 Q. And?

24 A. Eventually VP of sales and eventually

1 beyond that VP of sales and marketing.

2 Q. The same trajectory as Mr. Lang, correct?

3 A. Yeah, pretty much.

4 Q. When did Mr. Lang leave the company, if
5 you recall?

6 A. 2004.

7 Q. And is that when Mr. Gasdia became vice
8 president of sales and marketing?

9 A. I'm -- he had become a vice president
10 before Jim left of VP of fee -- sales -- field sales.
11 I don't remember exactly when he got the -- I guess he
12 got the title of marketing when Jim retired.

13 Q. Okay.

14 And as regional manager, you were still
15 responsible for prescription products, correct?

16 A. Correct. Prescription and OTC.

17 Q. Okay. Did it still include laxatives?

18 A. Yep.

19 Q. Prioderm?

20 A. That was gone at that point.

21 Q. Betadine or Betadine?

22 A. Betadine a little bit. Yeah, that was
23 still -- it was still in the -- in the book. Uniphyl,
24 MS Contin, Trilisate.

1 Q. Did OxyContin come on the market during
2 this period?

3 A. 1995, December.

4 Q. And you were likewise responsible for that
5 product?

6 A. Yes.

7 Q. Did you have anything to do with the
8 development of OxyContin?

9 A. No.

10 Q. Did you have anything to do with the
11 development of MS -- of MS Contin?

12 A. No.

13 Q. Did you have anything to do with the
14 development of the sales training modules with respect
15 to MS Contin?

16 A. No.

17 Q. Same question for OxyContin?

18 A. No.

19 Q. Did you yourself in a position as regional
20 manager educate district managers about the products?

21 A. I would say I supplemented their education
22 or, what's the word I'm looking for, reinforced their
23 education.

24 Q. And how would you -- by the time, for

1 example, OxyContin comes on the market in December
2 of 1995, you are already a regional manager.

3 How do you -- do you learn about that
4 product?

5 A. Well, the product -- the product training
6 at Purdue was always extensive and it always usually
7 started with disease state training where a product
8 would be utilized.

9 You know, we had built some of that base
10 with MS Contin. So it was a more extended training on
11 pain states once we learned about OxyContin. And then
12 there was extensive training on the product itself,
13 which always started with the package insert. We were
14 expected, no matter what product it was, to know the
15 package insert chapter and verse.

16 Q. The pain states, however, would not be
17 something that you could learn from just reading the
18 package insert, correct?

19 A. No, no, absolutely not. You'd have to be
20 trained on it.

21 Q. So how would you be trained on pain
22 states?

23 A. Well, it depended on the time period,
24 because it got more sophisticated as time went on. As

1 there was more access to electronic training, there
2 was a lot of home study, hard copy training, if you
3 will, on a product like OxyContin early on. Later in
4 its -- later in the '90s when there was more access to
5 electronic learning, there was a lot of that as well.

6 We had a lot of prelaunch training and
7 then there would be -- the representatives and
8 managers would be tested on it. And if you did not
9 reach a certain grade level, which was generally the
10 low end was around 90 percent, you were not certified
11 to sell the product. So there were representatives,
12 not many, that had to go for remedial training before
13 they were allowed to go to the field and go out and
14 sell the product.

15 Q. Even as a regional manager, did you need
16 to become certified to sell OxyContin?

17 A. No, I didn't -- I didn't -- yeah, we had
18 to take the test. I don't remember if it was actual
19 certification, but we had to take the test.

20 Q. Did you have to score above whatever the
21 threshold was?

22 A. I really don't remember.

23 Q. And you would have had to do the same for
24 MS Contin, you would have had to -- you would have had

1 to at least --

2 A. MS Contin, I don't remember if there was
3 testing for that. There was -- there were quizzes,
4 but I don't know if there was certification for MS
5 Contin. That was our first foray into opioids. It
6 was a relatively, frankly, my -- minor product in
7 those years.

8 Q. And so you learned about pain states with
9 electronic modules, is that correct?

10 A. I would say later on. I don't know if --
11 and I can't remember in the beginning if it was
12 electronic, but I know there was significant --
13 significant hard copy training with that.

14 Q. And what do you recall about the types of
15 pain that OxyContin could be prescribed for?

16 MR. HOFFMAN: Object to form.

17 BY THE WITNESS:

18 A. Let me think. Certainly for pain related
19 to cancer, for those patients who were in Hospice
20 often as related to cancer, intractable pain in
21 general, severe back injury, that type of
22 orthopedic-related severe injury, but in general the
23 pain states were from moderate to severe pain that was
24 long -- of long duration.

1 BY MS. CONROY:

2 Q. What other -- you mentioned severe back
3 injury and severe orthopedic injury. What other --
4 what other diseases or injuries or conditions would
5 OxyContin be used for?

6 MR. HOFFMAN: Object to form.

7 BY THE WITNESS:

8 A. I'm trying to remember specifics. I -- I
9 really can't -- I'm thinking of more that it was for
10 intractable pain, but I can't really remember
11 specifics off the top of my head as far as -- I know
12 back pain, pain from severe injury, severe orthopedic
13 pain. I guess in some cases late stage arthritic
14 pain. I'm really not -- that's about what I can
15 remember off the top of my head.

16 BY MS. CONROY:

17 Q. I know it was a long time ago.

18 A. Yeah.

19 Q. What do you -- what do you mean by "late
20 stage arthritic pain"? What do you mean by the "late
21 stage" part of that?

22 A. Well, people who have been through every
23 other mode of treatment and there was really nothing
24 left that they had tried.

1 Q. Would it be fair to say that you would
2 have considered that for anyone to be prescribed
3 OxyContin that they would have tried everything else
4 first?

5 A. I would think that they would -- I don't
6 know if they would have tried everything else first,
7 but that they would generally have tried other things
8 first.

9 Q. Other non-opioid pain relief?

10 A. Other non-o -- opioid or other opioids
11 that were short acting.

12 Q. OxyContin was a long-acting opioid?

13 A. Yes, it was.

14 Q. When you spoke about severe, did you have
15 any -- severe pain, any type of a definition of what
16 that would mean?

17 MR. HOFFMAN: Object to form.

18 BY THE WITNESS:

19 A. Well, it was -- it was definitely not
20 indicated for acute pain, so pain of a short duration.
21 It was anything that was chronic and required
22 long-term treatment. And it was moderate to sev- --
23 in the nature of moderate to severe pain.

24 BY MS. CONROY:

1 Q. What do you recall about the risks of
2 OxyContin?

3 A. The risks of Ox -- OxyContin was a Class 2
4 opioid that carried with it all of the warnings that
5 are commensurate with any Class 2 opioid and that...

6 Q. Okay. What would those be?

7 A. Abuse, the potential for abuse, potential
8 for addiction, severe constipation.

9 Q. And what do you -- how would you define
10 abuse?

11 MR. HOFFMAN: Object to form.

12 BY THE WITNESS:

13 A. How would I define abuse?

14 BY MS. CONROY:

15 Q. Well, you were -- you were the regional
16 manager, so I assume you had some understanding of
17 what abuse meant in the context of --

18 A. Well, the --

19 Q. -- OxyContin.

20 A. We would pretty much lump abuse and
21 diversion together, and it would be people who were
22 using -- or would seek to use the product
23 inappropriately or illegally --

24 Q. And --

1 A. -- or divert it to a party other than
2 themselves.

3 Q. And how would you use the product
4 inappropriately?

5 MR. HOFFMAN: Object to form.

6 BY THE WITNESS:

7 A. Well, not that we spelled out what was
8 inappropriate, but inappropriate use is if you used it
9 recreationally or used it for a purpose other than
10 what it was indicated for.

11 BY MS. CONROY:

12 Q. Was OxyContin prescribed or understood to
13 be prescribed every 12 hours?

14 A. Yes.

15 Q. If a -- if a patient took it 11-and-a-half
16 hours after the first pill, would that be
17 inappropriate?

18 MR. HOFFMAN: Object to form.

19 BY THE WITNESS:

20 A. To me that's kind of splitting hairs. I
21 don't think it would be. If it's indicated for use
22 every 12 hours, if somebody took it at 11-and-a-half
23 or 12-and-a-half, I don't think that would be an
24 extreme variation from how the product was supposed to

1 be used.

2 BY MS. CONROY:

3 Q. Okay. What about if a -- if a patient
4 took it every -- the 12-hour OxyContin every six
5 hours, would you consider that to be abuse?

6 MR. HOFFMAN: Object to form.

7 BY THE WITNESS:

8 A. We'd consider it to be abuse, we'd
9 consider it to be using it inappropriately and not as
10 per prod -- package insert.

11 BY MS. CONROY:

12 Q. And so you would -- you would call that
13 abuse as part of the abuse and diversion?

14 A. No, I wouldn't necessarily call it part of
15 the abuse and diversion. If a patient was taking it
16 every six hours, what -- if I was talking to a
17 physician, I would say, Doctor, this -- according to
18 the package insert, this is a every-12-hour drug and
19 should not be dosed more frequently, which it said in
20 the package insert.

21 Q. Would you have suggested to a physician
22 that the dosage should be increased if a patient
23 was -- found it necessary to take it more often than
24 every 12 hours?

1 A. Based on the physician's assessment, if
2 they felt that the patient needed a higher dose, we
3 would recommend a higher dose rather than an increase
4 in the frequency.

5 Q. Did you tell physicians at that time that
6 if a -- if a patient was taking the drug more
7 frequently than 12 hours that the patient was abusing
8 the drug?

9 MR. HOFFMAN: Object to form.

10 What -- what is the timeframe? I'm not
11 sure we are clear.

12 MS. CONROY: When -- when Mr. Seid was selling
13 OxyContin.

14 BY THE WITNESS:

15 A. We would tell the physician that, as we
16 were trained, that they should use the product
17 according to package insert.

18 BY MS. CONROY:

19 Q. And if the physician asked you at that
20 time, Is my patient abusing the product if he or she
21 takes it more often than every 12 hours, what would
22 your answer be?

23 MR. HOFFMAN: Object to form and it assumes
24 facts not in evidence.

1 BY THE WITNESS:

2 A. I don't -- I don't know if I ever got that
3 question, so that's kind of a -- I can't -- I can't
4 answer a question that I don't remember -- remember
5 getting from a physician.

6 BY MS. CONROY:

7 Q. Okay. How would you have described abuse
8 to one of the sales reps that was -- that you
9 supervised?

10 A. If a physician was giving -- if he was --
11 if the representative observed something in practice
12 including a physician's prescribing pat -- practices
13 that appeared to be inappropriate or not as per
14 indicated in the package insert, that there was a
15 potential that there could be abuse going on in that
16 office.

17 Q. Okay. And what would you do about that?

18 A. I myself, I myself told district managers
19 who reported to me that no representative should
20 continue to call on a physician they feel
21 uncomfortable with.

22 Q. And would you have advised --

23 A. And I would advise my supervisor that I --
24 I did that, whether they were considered a top

1 prescriber or not, and if the representative or the
2 district manager was uncomfortable, I said, Don't go
3 there.

4 Q. Would you have been uncomfortable calling
5 on a physician who told you that they prescribed
6 OxyContin every ten hours?

7 MR. HOFFMAN: Object to form.

8 BY THE WITNESS:

9 A. I would ask -- my first question would be:
10 Why were you doing that?

11 BY MS. CONROY:

12 Q. Would that have been a reason for you to
13 not call on that physician any longer?

14 MR. HOFFMAN: Object to form.

15 BY THE WITNESS:

16 A. Not necessarily.

17 BY MS. CONROY:

18 Q. What answers could that physician give you
19 that would satisfy you that you could continue to call
20 on that physician?

21 MR. HOFFMAN: Object to form, assumes facts not
22 in evidence.

23 BY THE WITNESS:

24 A. Well, that would be an interesting

1 physician, because if it was every -- most physicians
2 prescribed any medication in a systematic method to
3 get compliance by the patient.

4 So if you were going to take a product
5 every ten hours, and often a patient, for example, if
6 you take something twice a day or three times a day or
7 even four times a day, you tie it to an event so you
8 can remember to take it at appropriate intervals.

9 So ten hours would be one that would leave
10 me scratching my head because how could you ever judge
11 when a patient was taking it every ten hours. And why
12 would you prescribe that, because at some point they
13 would be taking it one day at 3:00 in the morning and
14 the next day at 4:00 in the afternoon. So that would
15 be -- that particular example would be very
16 problematic to deal with.

17 BY MS. CONROY:

18 Q. What about every -- what about every eight
19 hours?

20 MR. HOFFMAN: Object to form.

21 BY THE WITNESS:

22 A. There was -- there was -- there were
23 physicians who would do it every eight hours because
24 for a particular reason they did not want to increase

1 the dose but increase the frequency because they felt
2 it wasn't lasting for that particular patient.

3 My district managers and my
4 representatives were to try to educate the physician
5 that it was more appropriate, according to the PI it
6 should be given every 12 hours, and if there is not --
7 if there is not sufficient relief, rather than
8 increase the frequency, to increase the dose.

9 If they weren't going to increase the
10 dose, there was certainly significant documentation to
11 physicians recommending how to -- to prescribe what
12 was known as rescue doses, so a short-acting in
13 between.

14 BY MS. CONROY:

15 Q. And did --

16 A. We'd always try to get them back, at least
17 under my watch, to doing appropriate 12-hour dosing.

18 Q. And you would suggest that -- that in
19 order to get to the 12-hour dosing with a patient that
20 was not getting adequate pain relief for the full
21 12 hours that they increased the dose?

22 A. Um-hum.

23 Q. You -- you have to --

24 A. Yes.

1 Q. And if the physician wanted to keep his or
2 her patients at eight hours and not increase the dose,
3 would you have reported that physician as potentially
4 abusing or prescribing it to patients who were abusing
5 the drug?

6 MR. HOFFMAN: Object to form.

7 BY THE WITNESS:

8 A. I think that would be on an individual
9 basis. That was not an unusual way, certainly early
10 on, the period of when I was in the field with that
11 product of physicians doing it at eight-hour intervals
12 because that's what they were more comfortable with.

13 BY MS. CONROY:

14 Q. And you had access to IMS data at that
15 time, correct?

16 A. Yes.

17 Q. Would you have been able to actually see
18 how many pills a physician was prescribing?

19 A. I don't think so at that time. I don't
20 think it was as sophisticated when I was in the field.

21 Q. Could you tell which physicians were
22 prescribing?

23 MR. HOFFMAN: Object to form, overly broad.

24 BY THE WITNESS:

1 A. Maybe towards the end of the time I was in
2 the field. I don't know if we had data early on that
3 was that granular.

4 BY MS. CONROY:

5 Q. Would -- might it have been by zip code?

6 A. It might have been by zip code at that
7 point.

8 Q. And -- and not by physician name?

9 A. Yeah. And you've got, as you can imagine,
10 as the IMS data became more sophisticated and they
11 were able to cut it in more ways, they could get more
12 granular data -- data. Certainly right around the
13 time I went inside. And I -- as I -- as I remember
14 it.

15 Q. Did you have occasion to report any
16 physicians while the time -- during the time you were
17 a regional manager with respect to their prescribing
18 practices with OxyContin?

19 A. I don't remember specifically. I remember
20 reporting a couple of doctors, at least to my
21 superior, that said that I'm -- the rep is not
22 comfortable calling on this physician and he -- she or
23 he thinks it's inappropriate, so I directed them not
24 to call on that physician anymore.

1 Q. And did you do anything else at that time,
2 did you report it to the company or was there a
3 protocol to follow?

4 A. I don't believe in '95 -- in '95, '96
5 there was a prot -- protocol.

6 Q. And how about by 2000 when you left that
7 job?

8 A. I think there were -- I think there were
9 reports of concern at that time.

10 Q. And there would have been some protocol to
11 follow --

12 A. Right.

13 Q. -- if you were directing or if you -- if
14 you heard there was some problem with the physician
15 and you directed someone under you not to call on that
16 physician anymore, there would have been some
17 reporting?

18 A. So there was a formal, but I don't
19 remember the specific process.

20 Q. We talked about abuse and diversion, you
21 also mentioned addiction as a risk of a controlled
22 substance, correct?

23 A. Um-hum.

24 Q. You have to give an answer.

1 A. Yes, I did.

2 Q. And was -- was addiction a risk of
3 OxyContin?

4 A. Yes. It was a Class 2 opioid.

5 Q. And is it a risk --

6 A. Excuse me.

7 Q. -- if a patient is taking OxyContin
8 exactly as prescribed and according to the package
9 insert --

10 MR. HOFFMAN: Object to --

11 BY MS. CONROY:

12 Q. -- can they still become addicted?

13 MR. HOFFMAN: Sorry.

14 Object to form.

15 BY THE WITNESS:

16 A. I imagine they could. I -- I'm not --
17 I --

18 BY MS. CONROY:

19 Q. What -- what did your training tell you?

20 MR. HOFFMAN: Object to form, foundation.

21 BY THE WITNESS:

22 A. Our train -- training indicated that based
23 on the information that was available at that time was
24 that patients who required opioids for chronic

1 intractable pain would become dependent on the opioid
2 but that the majority of patients, the vast majority
3 of patients would be able to be weaned off the drug
4 if -- in the event that the chronic intractable pain
5 improved or was sim -- somehow relieved.

6 BY MS. CONROY:

7 Q. So they wouldn't be -- they wouldn't be
8 addicted, they would be dependent?

9 MR. HOFFMAN: Object to form.

10 BY THE WITNESS:

11 A. Yes.

12 BY MS. CONROY:

13 Q. And you said the vast majority.

14 What kind of -- what kind of percentages
15 are you thinking about?

16 MR. HOFFMAN: Object to form, foundation.

17 BY THE WITNESS:

18 A. I can't give you an exact number.

19 BY MS. CONROY:

20 Q. What makes you think the vast majority
21 would not become addicted?

22 A. The data that was available at the time
23 for us when we first began promoting the product
24 indicated that that was what the -- the situation

1 would be is that people in severe pain would be
2 dependent, but that most would not become addicted.

3 Q. You've -- I'm just trying to -- you've --
4 you've said "most," you've said "majority," you've
5 said "vast majority".

6 Any -- do you -- do you recall what the
7 studies --

8 A. I don't --

9 Q. -- were or what the --

10 A. I don't --

11 Q. -- data was?

12 MS. PORTER: I'm sorry. Let her finish her
13 whole question before you answer.

14 THE WITNESS: I'm sorry.

15 MS. PORTER: Go ahead.

16 BY THE WITNESS:

17 A. I don't recall.

18 BY MS. CONROY:

19 Q. Do you recall if there were studies about
20 that?

21 A. I recall there was data provided on that,
22 yeah, yes.

23 Q. Data provided to -- to the sales force
24 about that?

1 A. Yes.

2 Q. That you would then be able to speak about
3 with the physician?

4 A. Yes.

5 Q. Did you -- did that data change over time,
6 do you know, was it different, for example, in 1995
7 than it was in 2000?

8 MR. HOFFMAN: Object to form, foundation.

9 BY THE WITNESS:

10 A. I don't -- I don't know for sure.

11 BY MS. CONROY:

12 Q. Okay. Do you know today -- or let's -- by
13 the time you retired in 2014, do you know if anything
14 had changed with respect to the risk of addiction to a
15 patient appropriately taking OxyContin?

16 MR. HOFFMAN: Object to form, foundation, and
17 overly broad.

18 BY THE WITNESS:

19 A. I know that we were telling our
20 representatives, and I was telling my staff, even
21 though they were business people as opposed to calling
22 on physicians, that we had a product with a Black Box
23 warning and that it was important even for my folks
24 that when they were talking to customers, as opposed

1 to physicians, that they were clear as to what was in
2 the product labeling about the potential for abuse,
3 aver- -- diversion and addiction of the product, and
4 that they needed to stick with the PI.

5 BY MS. CONROY:

6 Q. Okay. I'm asking you a little bit more
7 specifically.

8 Did you continue to hold the understanding
9 that the risk of addiction to a pain patient taking
10 OxyContin as prescribed was the vast majority would
11 not or most would not become addicted?

12 MR. HOFFMAN: Object to form, foundation.

13 BY THE WITNESS:

14 A. I -- I don't know if I could speak to
15 that. I -- again, what I told my people was to make
16 sure that people knew what was in the -- in the PI,
17 that OxyContin should be prescribed to patients that
18 were identified as appropriate for the product and --
19 and dosed appropriately.

20 BY MS. CONROY:

21 Q. My question is somewhat different than
22 that.

23 A. No, I understand what the question is, I
24 don't --

1 Q. Is there anything that changed your mind
2 about the way you felt in 2000 about the risk of
3 addiction in a patient who took the product
4 appropriately?

5 MR. HOFFMAN: Object to the form.

6 BY THE WITNESS:

7 A. Changed my mind or --

8 BY MS. CONROY:

9 Q. Right, changed your mind.

10 A. I felt that if patients, appropriately
11 dosed, and patients that were particularly monitored
12 by a physician, if the product was given correctly and
13 was given for an appropriate condition, that the
14 product could be effective and I would think that
15 perhaps addiction was a possibility, but that
16 appropriate use for a patient in need would be
17 something that the physician would have to weigh.

18 Q. What would be your understanding of the
19 likelihood of addiction?

20 MR. HOFFMAN: Object to form, foundation.

21 BY MS. CONROY:

22 Q. In that patient that you just described to
23 me.

24 A. I don't -- I -- I don't know if I could

1 tell the likelihood.

2 Q. Well, you've told me that --

3 A. But if -- if -- if there was a likelihood
4 for addiction in every patient prescribed OxyContin,
5 then OxyContin should not be prescribed. I didn't
6 feel that way.

7 Q. You didn't feel what way, that there --

8 A. That it shouldn't be prescribed.

9 Q. Okay. Did you believe that there was a
10 likelihood that every patient prescribed OxyContin
11 could become addicted?

12 MR. HOFFMAN: Object to form.

13 BY THE WITNESS:

14 A. The package insert said that the product
15 was a Class 2 opioid and there was a potential for
16 addiction, and that's what -- if I was in front of a
17 customer and if at that time I was in front of a
18 doctor, I would say, Doctor, there is a potential for
19 addiction.

20 BY MS. CONROY:

21 Q. Right. But you also told me that you
22 would tell someone that the vast majority of patients
23 would not get addicted?

24 A. Early --

1 MS. PORTER: I object to the form of the
2 question.

3 MR. HOFFMAN: Object to the form.

4 MR. STANNER: It misstates the --

5 MR. HOFFMAN: It misstates the testimony.

6 MS. PORTER: You can go ahead.

7 BY MS. CONROY:

8 Q. You can answer it.

9 A. What I said early on was initially we felt
10 and the information we were using at the time
11 indicated that physician and patients on opioids could
12 become dependent on it, for want of a better example,
13 like a -- a patient on insulin who is dependent on the
14 insulin to control their glucose blood levels, that a
15 pain patient could become dependent on the product to
16 relieve their pain. And without that pain medication,
17 they exhibit cravings because they were in increasing
18 pain.

19 As I said over -- over time as the PI
20 became changed and indicated, I or my team would, if
21 in front of a customer, say that there was a potential
22 of addiction for this product. So what I said before,
23 what was early on when you asked when I first was as
24 regional manager and then as time went on and the PI

1 changed, it got more specific and it said potential
2 for addiction.

3 Q. I see. That's what was confusing me when
4 you were talking about initially.

5 So you were then following the package
6 insert in your answers that there would be a potential
7 for addition?

8 A. Yes.

9 Q. Okay. Is it still the case that you
10 understand that dependence was physical dependence as
11 opposed to psychological dependence on the drug?

12 A. At that time, yes, more physical
13 dependence.

14 Q. And did that change, your understanding of
15 whether it was physical versus psychological damage --
16 dependence over time?

17 A. I'm not a physician --

18 MR. HOFFMAN: Object to form.

19 BY THE WITNESS:

20 A. -- but from what I know of pain
21 management, there are some patients who are physically
22 dependent on it and there are some who are
23 psychologically dependent on it.

24 BY MS. CONROY:

1 Q. And are there some patients who are
2 psychologically dependent even though they take the --
3 the drug appropriately?

4 MR. HOFFMAN: Object to form.

5 BY THE WITNESS:

6 A. I don't know that.

7 BY MS. CONROY:

8 Q. When -- when did you become aware of the
9 possibility of psychological dependence on OxyContin?

10 MR. HOFFMAN: Object to form.

11 BY MS. CONROY:

12 Q. As opposed to physical dependence?

13 A. OxyContin -- Contin is a Class 2 opioid,
14 so somebody or somebodies could be psychologically
15 dependent on it.

16 Q. So you --

17 A. So I was aware of that from day one.

18 Q. And it was your understanding that that
19 rate was low or the vast majority would not become
20 psychologically dependent?

21 MR. HOFFMAN: Object to form.

22 BY THE WITNESS:

23 A. It was my feeling at that time based on
24 the training I received that, first of all, that you

1 were to be very clear with the healthcare provider on
2 what was in the package insert, but that if given
3 appropriately that the patient may become dependent on
4 the product based on their need for more pain
5 medication, but that it was a Class 2 opioid and there
6 was a potential for addiction.

7 That evolved over time as far as the
8 package insert goes and it became much stronger in the
9 fact that the -- the product may become -- could be
10 addictive, period.

11 BY MS. CONROY:

12 Q. And -- and that -- that became stronger
13 after you were no longer regional manager?

14 A. It was right -- almost right at the cusp.

15 MS. PORTER: If we get to a stopping point, I
16 just need a bathroom break, at a -- at a good stopping
17 point for you.

18 MS. CONROY: We can stop now. That's fine.
19 We'll take a break.

20 THE VIDEOGRAPHER: We are off the record at
21 2:39 p.m.

22 (WHEREUPON, a recess was had
23 from 2:39 to 2:47 p.m.)

24 THE VIDEOGRAPHER: We are back on the record at

1 2:47 p.m.

2 (WHEREUPON, a certain document was
3 marked Purdue-Seid Deposition Exhibit
4 No. 003, for identification, as of
5 12/12/2018.)

6 BY MS. CONROY:

7 Q. Mr. Seid, let me show you what I've marked
8 as Exhibit 3. Exhibit 3 is a pamphlet from Partners
9 Against Pain, PDD1501720706 through 714.

10 Are you familiar with Partners Against
11 Pain?

12 A. Yes, I am.

13 Q. And what do you -- what do you know about
14 it?

15 A. It was a support material that was
16 separately branded that was non-product which talked
17 to things like counseling pain -- patients and their
18 families about pain, bad, how to appropriately take
19 it, appropriately store it, that kind of thing.

20 Q. Okay. And when you said it was separately
21 branded, it was -- it was not -- would you call this
22 unbranded?

23 A. Unbranded.

24 Q. So it didn't actually mention a particular

1 product, correct?

2 A. Right. It was a branded as Partners
3 Against Pain I guess is what I meant to say.

4 Q. Do you know if unbranded materials could
5 actually list the drug OxyContin, could they mention
6 the drug OxyContin?

7 A. I don't --

8 MR. HOFFMAN: Object to form.

9 BY THE WITNESS:

10 A. I don't remember, actually.

11 BY MS. CONROY:

12 Q. Have you ever seen this document before,
13 does it ring -- ring any bells?

14 A. I've seen Partners Against Pain material.
15 I don't remember this one specifically.

16 Q. Do you re -- I know this began to be used
17 in 1997, so is it -- would it be -- you can see that
18 from the very last page. It was copyrighted in 1997
19 in Norwalk, Connecticut by Purdue.

20 A. Um-hum.

21 Q. Do you know or do you recall seeing this
22 when you were a regional manager?

23 A. I recall seeing Partners Against Pain
24 material. I don't specifically remember seeing this

1 one.

2 Q. Okay. Is there any reason why you
3 wouldn't have seen this?

4 MR. HOFFMAN: Object to form.

5 BY THE WITNESS:

6 A. I don't know if there is any reason I
7 wouldn't have seen it. I just don't remember seeing
8 it.

9 BY MS. CONROY:

10 Q. Okay. I mean, there was nothing -- you --
11 you would -- anything that was used or developed by
12 Purdue Pharma with respect to analgesics or pain,
13 you -- you would have had access to it, correct?

14 MR. HOFFMAN: Object to form.

15 BY THE WITNESS:

16 A. I would have had access to it.

17 BY MS. CONROY:

18 Q. If you would turn to Page 10. And there
19 is a section of questions and answers. And the
20 question is: "Won't I (or my family member) become
21 addicted to opioids and lose control?"

22 Do you see that?

23 A. Yes.

24 Q. And that's one of the questions that sales

1 representatives were trained on, correct?

2 MR. HOFFMAN: Object to form, foundation.

3 BY THE WITNESS:

4 A. Yes, I believe so.

5 BY MS. CONROY:

6 Q. That was a -- that was a concern of
7 physicians at the time, wasn't it?

8 MR. HOFFMAN: Object to form.

9 BY THE WITNESS:

10 A. It could have been, yeah.

11 BY MS. CONROY:

12 Q. Do you re -- do you recall that that was
13 one of the obstacles to the sale of OxyContin when it
14 first came out, that physicians were concerned about
15 addiction?

16 MR. HOFFMAN: Object to form.

17 BY THE WITNESS:

18 A. I don't know that -- could you repeat that
19 question again? I'm not...

20 BY MS. CONROY:

21 Q. Do you have any recollection of, at the
22 time that OxyContin went on the market, December
23 of 1995, that there were concerns about whether it
24 would -- how well it would do in the market because

1 physicians were concerned about addiction and
2 particularly with -- in particular with patients with
3 non-cancer pain?

4 MR. HOFFMAN: Object to form.

5 BY MS. CONROY:

6 Q. Do you -- do you remember that issue?

7 A. I don't remember specifically in -- in
8 1995. Many of the physicians we were going to at that
9 time had already been presented MS Contin or were
10 prescribing MS Contin.

11 Q. Were you seeing non-cancer physicians for
12 MS Contin at that time?

13 A. In some cases.

14 Q. So that's not something -- you wouldn't --
15 you were not aware of that concern by physicians?

16 MR. HOFFMAN: Object to form. Assumes facts not
17 in evidence.

18 BY THE WITNESS:

19 A. I imagine it could be a concern of
20 physicians. I -- it is a Class 2 opioid.

21 BY MS. CONROY:

22 Q. Correct.

23 But you don't con -- you don't recall what
24 was called at the time an obstacle to the sales force

1 with respect to physicians who were concerned about
2 addiction in patients with non-cancer pain?

3 MR. HOFFMAN: Object --

4 BY MS. CONROY:

5 Q. You don't recall that?

6 A. I don't re --

7 MR. HOFFMAN: Object to form, foundation.

8 BY THE WITNESS:

9 A. I re -- I remember the term "obstacles,"
10 but I don't remember this as specifically being one,
11 so...

12 BY MS. CONROY:

13 Q. Okay. Do you see where it says in the
14 italics -- well, let's look right above it. It says:

15 "In fact, a survey of more than 11,000
16 opioid-using patients, taken over several years, found
17 only four cases of documented addiction."

18 Do you see that?

19 A. I do see that.

20 Q. Do you recall -- do you recall that study
21 or knowing about that study?

22 A. I recall only seeing it here.

23 Q. What does that mean, that it -- that's
24 remind -- it reminded you --

1 A. I remember that --

2 Q. -- you said it refreshed about it.

3 A. Yeah, but I -- if you asked me what the
4 specifics of that bullet was, before I saw it here, I
5 couldn't give you the specifics.

6 Q. I won't ask you that.

7 I -- but do you remember that there was,
8 in fact, some study with -- around that number of
9 people that had a conclusion that addiction was rare?

10 A. I don't re -- I don't remember the number.
11 As I mentioned before, there was data available that
12 said that it was rare, so this is apparently the data.
13 And now I see it and I remember the number, but
14 that's -- not before that.

15 Q. And -- and you rely on -- if -- if you see
16 this, you believe it to be true because it was created
17 by Purdue Pharma, correct?

18 MR. HOFFMAN: Object to form.

19 BY THE WITNESS:

20 A. Yes, I would accept it as being correct.

21 BY MS. CONROY:

22 Q. And is there any reason why you would not
23 accept it as correct today?

24 MR. HOFFMAN: Object to form.

1 BY THE WITNESS:

2 A. Based on this one bullet point in this one
3 study, I don't -- I don't know if I could question the
4 correctness or not question the correctness of the
5 study.

6 BY MS. CONROY:

7 Q. Okay. Would it be fair to say for as long
8 as this pamphlet was used that you would have believed
9 that Purdue Pharma would not have circulated it to
10 physicians or patients unless they believed it to be
11 true?

12 A. I would expect that they believed it to be
13 true.

14 Q. And as a consequence, you believed it, at
15 least for as long as it was circulated, you believed
16 it to be true?

17 A. If it was an approved piece of promotional
18 material, I would use it.

19 Q. When you say "approved piece of
20 promotional material," what do you mean by that?

21 A. That it had gone through full
22 legal/regulatory review, legal, medical and regulatory
23 review, it had been approved, had been submitted as
24 all documents had to be submitted, and it was approved

1 for use in the field.

2 Q. Would this document have been submitted to
3 the FDA?

4 A. I don't know.

5 Q. Okay. Did --

6 A. I can only assume.

7 Q. You assumed that it was?

8 A. I said I can only assume. It was not my
9 responsibility as to whether it was or wasn't.

10 Q. Okay. If it --

11 A. But I was directed to use only approved
12 material.

13 Q. Okay. This was copyrighted by Purdue
14 Pharma in 1997 and it was on the Purdue Pharma website
15 www.partnersagainstpain.com.

16 Would that suggest to you that it was --
17 it -- that it at least went through legal and
18 regulatory and any other departments that it needed to
19 at Purdue Pharma?

20 A. I would assume.

21 Q. So if you -- if you saw that this was on
22 www.partnersagainstpain.com, you would assume it was
23 okay to use?

24 A. I would assume that.

1 Q. If you'd take a look again on Page 10 and
2 11, which is on the same page, it says:

3 "To illustrate just how rare addiction is
4 among pain patients taking opioids" -- that doesn't
5 talk anything about appropriate patients, correct,
6 that's just among pain patients taking opioids?

7 Do you see that?

8 MR. HOFFMAN: Object to form.

9 BY THE WITNESS:

10 A. Yes.

11 BY MS. CONROY:

12 Q. -- "administer the visual quiz on the next
13 two pages. Many patients, and family members, will be
14 surprised to discover that fewer than 1 percent of
15 opioid-using patients become addicted."

16 Do you see that?

17 A. Yes, I do.

18 Q. And was that your understanding at least
19 until you left your role as regional manager?

20 A. If this was an approved piece and this
21 question came up with a physician, I would think it
22 was appropriate to use.

23 Q. You're confusing me when you say "if this
24 was an approved piece."

1 A. I mean, this was an approved piece.

2 Q. What -- what else do we need to know about
3 this piece?

4 A. No, if it's an approved piece, then I
5 would use it.

6 Q. And if you -- if you turn the page:

7 "Among patients who regularly take opioids
8 for pain, and have no history of substance abuse,
9 which percentage represents the proportion who become
10 addicted?"

11 Do you see that?

12 A. Yes.

13 Q. And that's the 1 percent, correct?

14 A. Correct.

15 Q. What does that mean, "have no history of
16 substance abuse"?

17 MR. HOFFMAN: Object to form.

18 BY THE WITNESS:

19 A. I would assume, since I didn't write the
20 piece, that it meant a patient has not abused opioids
21 or other substances in the past.

22 BY MS. CONROY:

23 Q. Did you ever advise physicians that they
24 should ask their patients about the abuse of opioids

1 in the past before they prescribed OxyContin?

2 MR. HOFFMAN: Object to form.

3 BY THE WITNESS:

4 A. I believe there were pieces available that
5 were available for reps to use that had it -- that as
6 part of the questions they asked patients.

7 BY MS. CONROY:

8 Q. But not them, but the -- the doctors?

9 A. That the doctors could ask patients or
10 their -- their nursing staff.

11 Q. And what would it mean to have abused
12 opioids in the past, what would -- what kind of
13 examples would you be looking at?

14 MR. HOFFMAN: Object to form.

15 BY THE WITNESS:

16 A. Would I be looking at?

17 BY MS. CONROY:

18 Q. Or as a regional manager and you are
19 supervising and you have all of these district
20 managers and sales representatives under you, what
21 would you tell them it meant to abuse an opioid prior
22 to being prescribed OxyContin?

23 MR. HOFFMAN: Object to form, foundation.

24 BY THE WITNESS:

1 A. I don't know that I would tell them that.
2 The -- the point here says, and this is a piece that a
3 physician is using with their patients, and it states
4 here: "Among patients who regularly take opioids for
5 pain and have no history of substance abuse," and
6 these are the percentages.

7 If I was using this piece, unless I was
8 trained otherwise as to a litany of what substance
9 abuse would be, I would not direct a rep to -- to
10 decide on their own what that list would look like
11 because that would not be using the piece as directed.

12 Q. Okay. Would you have a memory of whether
13 or not you would have considered tobacco smoking to be
14 substance abuse?

15 MR. HOFFMAN: Object to form.

16 BY THE WITNESS:

17 A. I don't know if that would be part of this
18 and I don't have any memory of where that was
19 discussed.

20 BY MS. CONROY:

21 Q. Do you recall a discussion about alcohol
22 abuse?

23 MR. HOFFMAN: Object to form.

24 BY THE WITNESS:

1 A. I don't remember that either. I know it
2 was talked about, but I don't know if it was something
3 you would, again, direct a rep to -- to say in using
4 this piece.

5 BY MS. CONROY:

6 Q. Do you have any memory of an ar -- of --
7 of a study or an article called "Porter and Jick"?

8 Have you ever heard that before?

9 A. No. If I did, I don't remember it.

10 Q. Do you have a definition for moderate
11 pain, what that means?

12 A. I don't have one myself, no.

13 Q. Okay. Do you know if the company had one?

14 MR. HOFFMAN: Object to form.

15 BY THE WITNESS:

16 A. I don't remember, if they did, what it
17 was.

18 BY MS. CONROY:

19 Q. Do you ever remember whether there was any
20 discussion in -- in training or in any of the meetings
21 that you would have held with district managers or
22 with sales representatives about the types of disease
23 states that would be appropriate for OxyContin, such
24 as tennis elbow or migraine headaches or things like

1 that?

2 MR. HOFFMAN: Object to form, foundation.

3 BY THE WITNESS:

4 A. I remember various -- certainly at
5 meetings various conditions would come up because
6 often they were -- or at times they were brought up by
7 a healthcare provider.

8 BY MS. CONROY:

9 Q. Do you remember any conditions that were
10 not appropriate for OxyContin?

11 MR. HOFFMAN: Object to form.

12 BY THE WITNESS:

13 A. Postsurgical use, dental use, acute use in
14 general.

15 BY MS. CONROY:

16 Q. So it would -- it would -- as far as you
17 understood, it would not be appropriate to use
18 OxyContin after -- just after surgery?

19 A. Depended --

20 MR. HOFFMAN: Object to the form.

21 BY THE WITNESS:

22 A. It would depend on the surgery, but, you
23 know, minor surgery certainly would not be something
24 that it should be used for.

1 BY MS. CONROY:

2 Q. And --

3 A. Maybe at that time a total hip, which was
4 much different than what a total hip looks like today.

5 Q. What do you mean by dental?

6 A. Extractions, oral surgery, that kind of
7 thing.

8 Q. It's -- it's your understanding that
9 OxyContin would not be appropriate for those -- for
10 pain from dental surgery, extractions or oral surgery?

11 A. Right.

12 MR. HOFFMAN: Object to form and the timeframe.

13 BY MS. CONROY:

14 Q. Do you have -- is there a period of time
15 that you think that that would no longer be true?

16 A. No longer be true?

17 Q. Right.

18 A. I don't know.

19 Q. Did you ever come to understand that at
20 one point it was inappropriate for dental extractions
21 or oral dental -- oral surgery and then at a
22 particular date it was appropriate for that?

23 A. I don't remember it ever being appropriate
24 for that. I'm sure there were dentists out there who

1 prescribed, but I --

2 Q. And if they --

3 A. -- I wouldn't go to that dentist.

4 Q. If -- if dentists were prescribing, that
5 would show up in the IMS data, correct?

6 A. I guess eventually. I'm not sure.

7 Q. Oh, and I don't -- I -- I -- I don't mean
8 to -- I understand it may not have shown up early in
9 the data. Let's say by 2008 or 2010, would --

10 A. Yeah, if it did, I didn't see it. I
11 wouldn't be exposed to it, so I don't know.

12 Q. Yeah, that's a -- that's really not --
13 sorry. I'm not being very clear.

14 At -- at some point the IMS data became
15 granule enough to identify a physician's office,
16 correct, an actual physician?

17 A. I believe so, yeah.

18 Q. And do you understand that it could also
19 identify a -- a dentist?

20 MR. HOFFMAN: Object to form.

21 BY THE WITNESS:

22 A. I would imagine it could, yes.

23 BY MS. CONROY:

24 Q. If -- if they were writing a prescription?

1 A. I imagine it could, yes.

2 Q. Okay. While you were a regional manager
3 and OxyContin was one of your products, do you recall
4 sales reps ever calling on dentists?

5 A. Not that I knew of. If I knew of it, it
6 would have stopped.

7 Q. Anything else, dental use, acute use and
8 after surgery, anything else you can think of that it
9 would be inappropriate to use OxyContin?

10 MR. HOFFMAN: Object to form.

11 BY THE WITNESS:

12 A. I can't think of anything else other than
13 if a short acting would do the job, there is no reason
14 to use a long acting.

15 BY MS. CONROY:

16 Q. Now, after October of 2000 you left being
17 a regional manager, and what was your next position?

18 A. Senior director of national accounts and
19 trade relations.

20 Q. And can you just explain to me, how did
21 you go from the sales representative part of the
22 company into what really looks like data part of the
23 company?

24 A. No, that wasn't data. It was the

1 commercial part of the company. It was under the
2 sales department.

3 Q. Okay.

4 A. I had had experience -- I had been there
5 for a long time and I had had experience, very
6 successful experience calling on wholesalers and
7 chains throughout my career prior to that. So it was
8 something that my then superior Jim Lang thought I
9 would be good at and he had never steered me wrong
10 before and when I got there I threw myself into it so
11 that I knew it and understood it and I think I made a
12 relatively successful switch.

13 Q. So that was beginning in November of 2000?

14 A. October officially. I didn't move up
15 there until November. Or I was going back and forth
16 between the regional job and national accounts.

17 Q. And then that was in through -- I know you
18 became executive director, but you basically stayed in
19 that --

20 A. Same --

21 Q. -- division?

22 A. Same division, same job.

23 Q. Until May of 2014?

24 A. Yes, May 30, 2014.

1 Q. And what kind of experience did you have
2 going into the job with wholesalers and chains?

3 A. I had had some experience as a sales rep
4 and district manager and to some degree as a regional
5 manager calling on those accounts, dealing with those
6 accounts, actually supporting the national accounts
7 groups -- group with a couple of accounts.

8 Q. And why would you have been calling on
9 wholesalers as a -- when you were in the regional
10 manager position?

11 A. Because the national accounts group at
12 that time was heavily focused, although they had
13 responsibility for the products going into wholesalers
14 and chains, that they didn't have as much day-to-day
15 responsibilities for prescription products. So to
16 support them to a -- to some degree we would call on
17 some of those accounts.

18 Q. And did that change over time that the
19 wholesalers began to have more responsibility for
20 prescription products or to increase their
21 responsibility with respect to prescription products?

22 A. The department had more responsibility,
23 not the wholesalers.

24 Q. I see. The -- the department at Purdue?

1 A. Yes.

2 Q. So initially the department at Purdue was
3 involved with wholesalers and chains with respect to
4 over-the-counter products?

5 A. With over-the-counters primarily they had
6 responsibility for the Rx products, but they just
7 didn't spend a lot of time with them.

8 Q. And was that beginning to change before
9 you became --

10 A. It was beginning to change some, but it
11 changed dramatically when I took the position.

12 Q. And -- and why did it change dramatically,
13 apart from you taking it over, but what did -- what
14 did you do to change it?

15 A. I felt that -- the first thing I did was I
16 upped the education of my team on both business and --
17 and products and marketplace to make them more of
18 business and marketplace experts so that they could be
19 a greater resource for their accounts. I got them
20 engaged with the products from product knowledge-wise
21 even though they didn't have to spend as much time,
22 they didn't call on healthcare professionals, because
23 I felt that it was important that they knew it better
24 than they did, and I upped their level of engagement.

1 Q. Would it be fair to say that you had
2 your -- your people undergo some of the same types of
3 training about the products that the sales
4 representatives would have?

5 A. Yes.

6 Q. And how did you do that? Did they take
7 the sales training modules?

8 A. Yes, they did.

9 Q. And who was it that you had do that on
10 your team? What -- what -- how many were on your team
11 when you -- when you went in as the senior director of
12 national accounts?

13 A. There were four national account reps.

14 Q. And those national account reps had not
15 had that training previously?

16 A. They had some of it. They just didn't
17 have it to the frequency and depth they did
18 afterwards.

19 Q. Okay. And did you have those four
20 national account representatives undergo the sales
21 representative training with respect to the products
22 that they would be responsible for?

23 A. They went to similar training, not
24 necessarily the exact training, but similar training.

1 Q. And how did you do that?

2 A. Either by formal training through the
3 training department or online training modules or
4 training we would do at meetings.

5 Q. Did they have to take any quizzes or
6 become certified?

7 A. Yeah, they had to take quizzes.

8 Q. And did you -- did you grade them?

9 A. No.

10 Q. Did you know what they got on them?

11 A. Yes.

12 Q. Did everybody do okay?

13 A. Yeah, some better than others as in any
14 group, but they did -- they did fine.

15 Q. And MS Contin and OxyContin, both
16 continual release as well as immediate release were
17 part of that training?

18 MR. HOFFMAN: Object to form.

19 BY THE WITNESS:

20 A. Any product that Purdue was distributing
21 was part of the training, and if there was a new
22 product, when Butrans came out or whatever product
23 came out, Intermezzo, they were trained on it.

24 BY MS. CONROY:

1 Q. Okay. And you believe that prepared them
2 to have better interaction with their customers who
3 were the wholesalers?

4 A. Yes, I did.

5 Q. And did you have any metrics on that?
6 Could you -- could you tell whether it work -- whether
7 your idea worked?

8 A. Certainly by observation of the frequency
9 and the levels of the organizations they dealt with,
10 it looked to have impact.

11 Q. And it -- it looked to have impact because
12 they sold a lot more product to the wholesalers,
13 correct?

14 A. No, they weren't -- it wasn't about
15 selling more product, it was to be -- have a better
16 understanding of why the wholesaler carried what
17 inventory they -- they carried and how they
18 distributed it. And particularly as it related to the
19 issues related to the safe, secure distribution of the
20 product, it enabled them to get into different and
21 higher levels of the organization to the point where
22 they were a useful resource to the people in the
23 supply chain and customer service. They did things
24 that -- it was great exposure for them also. They

1 didn't just go to an office. They went to -- into
2 vaults and saw how the product was stored and how it
3 was received.

4 Q. Having them do that didn't decrease sales
5 for Purdue, did it?

6 MR. HOFFMAN: Object to form.

7 BY THE WITNESS:

8 A. No.

9 BY MS. CONROY:

10 Q. And was management supportive of this?

11 A. Yeah, yes, they were.

12 Q. And how did they -- how did management
13 learn about that? Did you -- were you reporting to
14 somebody at that time?

15 A. Yeah. Jim Lang, Russ Gasdia, Mark
16 Alphonso at various times.

17 Q. And were they supportive of you increasing
18 the training of -- of your national account
19 representatives and having them out in the field?

20 A. Yes.

21 Q. And at this time are you also taking a
22 look at what data is available to you?

23 A. I looked at -- my responsibility at that
24 time when I first came in was a commercial

1 responsibility. So sales numbers, inventory numbers,
2 inventory levels, returns, out-of-date goods, that --
3 those type of things. So the data I looked at related
4 to the business.

5 Q. Had you had any familiarity with inventory
6 numbers and levels as a regional manager?

7 A. Not much.

8 Q. So this was new for you?

9 A. Yeah, to a great degree it was new.

10 Q. And how did you acquaint yourself with
11 what was available and what you would need in order
12 to -- in order to know what the inventory numbers were
13 and to understand what the returns were, how did --
14 how did you familiarize yourself with that?

15 A. I did something that my predecessor failed
16 to do and that was to reach out to every department
17 that my folks touched and that touched my department.
18 And I spent time with -- with logistics and customer
19 service and finance and medical and regulatory and
20 anybody who touched the product and to help it get out
21 into the marketplace.

22 And the other thing I did was pack my bag
23 and go out and see my customers, because the best way
24 to find out what a customer needs and who they are is

1 to look them in the eye.

2 Q. Okay. Let's start first with reaching out
3 to the departments at Purdue.

4 And you mentioned that you went to
5 logistics. That's at Purdue?

6 A. Yes.

7 Q. That's an internal department?

8 A. Yes.

9 Q. And what could logistics tell you?

10 A. Logistics, we talked about how the product
11 was shipped, how inventory levels were developed, what
12 quotas looked like, what issues may be affected by
13 quota. Certainly as we got towards the end of the
14 year, which helped me manage inventory, how we could
15 interface with logistics and help them be more
16 efficient in shipping the product so that it was more
17 efficiently and securely received, how to help avoid
18 anything from damages to returns. So that was big
19 with logistics.

20 Q. Did logistics have a -- data or a
21 database?

22 A. I'm sure they did.

23 Q. Is that something that you were interested
24 in to -- or were you -- or did you already have that

1 data at national accounts?

2 A. I had, yeah, pretty much the data I
3 needed.

4 Q. So you didn't need to build your data, you
5 just needed to understand what was behind the data
6 that you already had access to?

7 A. Yes.

8 Q. And one way you did that was by -- by
9 going and learning about all of the items you just
10 told me about --

11 A. Yes, correct.

12 Q. -- with the logistics department?

13 A. Um-hum.

14 Q. Okay. You mentioned customer service.

15 What did you want to talk to them about?

16 A. I wanted customer service to realize that
17 national accounts wasn't their enemy and that they
18 actually could talk to us and talk to my people and
19 they could do so in a normal tone of voice. So that
20 was step one. And then how they could more
21 efficiently service our customers and how we could
22 help them do so.

23 Q. Who was -- give me the dynamic, who is
24 usually angry on this --

1 A. I didn't -- I -- well, to be honest with
2 you, I couldn't understand why anybody was angry with
3 anybody. It was -- it was literally open warfare.

4 Q. Okay.

5 A. Which I couldn't understand from the
6 minute I walked in.

7 Q. And what was -- what were they fighting
8 about?

9 A. Customer service didn't want national
10 accounts to tell them what to do and customer
11 service -- and national accounts didn't want customer
12 service to tell them what to do, and they were
13 communicating mostly in writing because they couldn't
14 be in the same room.

15 Q. Were they in the same physical building?

16 A. Yes.

17 Q. And what was customer service responsible
18 for?

19 A. They were responsible for getting orders
20 and making sure they get out and dealing with customer
21 issues, dealing with returns to a -- a great degree.

22 Q. And were they dealing with -- was customer
23 service dealing with opioids at that point?

24 A. They were dealing with all products.

1 Q. Okay. And so customer service would
2 receive an order for OxyContin from a particular
3 wholesaler, is that a possibility?

4 A. Yes.

5 Q. And you were trying to communicate with --
6 your national account representatives wanted to be --
7 you wanted them to be able to communicate with
8 customer service so they would understand if there
9 were issues with either the orders or the returns or
10 any other kind of issues that might come up?

11 A. Yeah, up until about 2010, 2009,
12 because in an electronic ordering world, Class 2s were
13 paper driven on NCR paper, probably the only place
14 left in the country that still used the NCR paper.
15 And since it was all -- everything traveled by mail,
16 efficiency in getting it done could mean out of stock
17 or in stock, so working together we facilitated making
18 that a more smooth running operation.

19 Q. Okay. And -- and you -- that was
20 something that you facilitated?

21 A. I -- I had a good partner in the director
22 of customer service.

23 Q. And who was that?

24 A. Laura Watson.

1 Q. I'm sorry?

2 A. Laura Watson.

3 Q. Oh, when we saw her name, she was one of
4 the names that you mentioned in your list that you
5 showed me this morning, correct?

6 A. Right.

7 Q. And who headed up logistics, if you
8 recall?

9 A. Jeff Zerillo, Z-e-r-i-l-l-o.

10 Q. When you were talking earlier, and we'll
11 get into this in more detail, but when you were
12 talking earlier today about red flags or alerts with
13 respect to particular shipments of opioids or whether
14 a shipment was larger than the -- than the month or
15 six months prior to that, would that data be flagged
16 by customer service or --

17 A. The system would flag it.

18 Q. And whose -- whose system was it?

19 A. It was the -- you mentioned ValueCentric
20 early on.

21 Q. Um-hum.

22 A. It was the data feed that we were getting
23 from them that was put through our order system.

24 Q. And would that be available to both

1 customer service as well as national accounts?

2 A. Yes.

3 Q. And so you would -- you would both see
4 that?

5 A. Yes.

6 Q. Would logistics see it?

7 A. No.

8 Q. Any other departments see it?

9 A. No. Just customer service and myself and
10 national accounts.

11 Q. When you say you saw it, you mean national
12 accounts?

13 A. Yes.

14 Q. You mentioned finance. Why did you want
15 to communicate more with finance?

16 A. Because finance, of -- of course, not only
17 collects the money, but they -- they give accounts
18 limits. There might be issues as it relates to past
19 due bills. It was more -- on the finance side more on
20 the OTC business, which was a little bit -- there were
21 more customers on OTC -- on the OTC side and it tended
22 to be, you know, with promotions and you had -- you're
23 dealing with big customers, not just wholesalers, you
24 are dealing with Walmart, Walgreens, so it was real

1 important to be on the same page with that.

2 Q. Okay. And I saw some communications
3 concerning some of the alerts that would come up on
4 the suspicious order monitoring reports that dealt
5 with whether -- dealt with credit issues?

6 A. Credit issues.

7 Q. With some of the customers?

8 A. That's true.

9 Q. Would credit be part of finance?

10 A. Credit would be part of it also, that's --

11 Q. But --

12 A. -- a good observation.

13 Q. But finance wouldn't get those alerts,
14 customer service and national accounts would get the
15 alerts and then you would reach out to who you needed
16 to speak to?

17 A. That's correct.

18 Q. You mentioned regulatory. Why did you
19 need to communicate with regulatory?

20 A. Well, if there were materials that I
21 needed specifically for the use of my folks, it had
22 previously -- much of it was done with marketing or
23 through marketing. And it seemed to me that, not that
24 the marketing folks couldn't handle it, but why

1 translate what I was trying to say to a third party,
2 so I asked if I could participate, and that was one
3 area.

4 The other thing, unfortunately, I had to
5 get involved with regulatory and know them well and
6 what they were thinking was -- when it came to
7 recalls.

8 Q. I don't think I understood. Leaving aside
9 recalls, but I didn't really understand why you would
10 need to communicate with regulatory with respect to --
11 or versus marketing, what -- what did you mean by
12 that?

13 A. Well, if I -- if I needed a -- a
14 promotional piece that was specific to national
15 accounts or that would pre -- predominantly be used by
16 national accounts, it would require legal, medical and
17 regulatory review, and if I was -- it was just being
18 done through marketing and it would come back to me
19 and I would say, Well, Julie, you should have said
20 this, this and this to them, and I realized after
21 doing that five -- five or six times, I might as well
22 reach out to these folks and say, Let me explain what
23 we are looking for here.

24 Q. And is that because marketing was

1 primarily set up to be dealing with healthcare
2 providers and potentially patients?

3 A. Right.

4 Q. And you were trying to deal with
5 wholesalers and --

6 A. Pharmacies.

7 Q. -- chain pharmacies?

8 A. Right.

9 Q. And so if you wanted to develop particular
10 promotional pieces, it was more efficient for you just
11 to go directly to regulatory because you knew what --
12 who your audience was, that audience was different
13 than marketing, is that correct?

14 A. Correct, correct.

15 Q. Or that audience was different than the
16 audience marketing was working with?

17 A. Correct. That is correct.

18 Q. And some of those promotional pieces for
19 the wholesalers and the chain pharmacies would concern
20 opioids, correct?

21 A. That is correct.

22 Q. And that would be OxyContin, Butrans and
23 MS Contin?

24 A. And Intermezzo.

1 Q. What was Intermezzo?

2 A. It was a sleep aid, Class 4.

3 Q. And so you would work on promotional
4 pieces with regulatory so that your national accounts
5 representatives could use those in the field?

6 A. Yes.

7 Q. And did you use them in the field as well?

8 A. When I was with them, yes.

9 Q. Medical?

10 A. Same, same issues.

11 Q. Recalls?

12 A. No. As far as promotional pieces, yeah.

13 Q. Okay.

14 A. And recalls, recall team was about 17
15 different departments.

16 Q. Who would you speak to at medical, if you
17 can recall?

18 A. Particular people I can't remember off the
19 top of my head. Often it was the -- more often than
20 not it was the pharmacists in the department because
21 they had a better under -- understanding, of course,
22 of pharmacy material and what would work for a
23 pharmacist or be beneficial for a pharmacist.

24 Q. Why would a promotional piece be useful

1 for a pharmacist in -- in your position as national
2 accounts?

3 MR. HOFFMAN: Object to the form.

4 BY THE WITNESS:

5 A. A -- in general in the industry, most
6 pieces are written with a physician in mind, which
7 makes sense, and then given to people like national
8 accounts or other departments and say, Use these as
9 you will.

10 A pharmacist doesn't necessarily want to
11 see what a physician wants to see. So we developed
12 some pieces which were called Pharmacist Guides and
13 would talk about what's used in opioid, for example,
14 is -- not only include indications and the usual stuff
15 you would see in a physician piece, you know, with all
16 of the disclaimers in it, et cetera, but how to safely
17 store it, how to safely dispense it, how to look
18 for -- for bad actors, if you will, all of the things
19 that would be ben -- and what third party cover --
20 covers, because those are the things that a pharmacist
21 is interested in as well as the therapeutic aspect of
22 the product.

23 BY MS. CONROY:

24 Q. And did you find that providing that type

1 of targeted promotional information -- and by
2 targeted, I mean targeted to a pharmacist as opposed
3 to a physician, increased the number of accounts that
4 you would -- that you would have?

5 A. No.

6 Q. What -- did it keep the accounts longer,
7 you hoped?

8 A. No. It -- it was the right thing to do
9 and it was better relations with the account. I don't
10 want you to just dispense my product. I want you to
11 do it the right way.

12 Q. And did you find that that was effective?

13 A. It was embraced.

14 Q. Anyone -- anyone you can think of other
15 than pharmacists that you -- well, you used the word
16 "targeted," that's what you used before, that you
17 would target for the same reason to kind of enhance
18 your communication from national accounts?

19 A. No. We would not only use it at the
20 street level, we would use it at the corporate level
21 also. Usually it started at the corporate level,
22 because you needed -- generally needed permission to
23 provide material and some accounts would actually put
24 an electronic version on their resource section of

1 their pharmacies so that the pharmacist could use it.

2 Q. And that would be something like Walgreens
3 or some -- that had --

4 A. Walgreens, Walmart, CVS, Kroger, Jewel
5 Osco, et cetera.

6 Q. And so you would start at the corporate
7 level and then work --

8 A. Work down.

9 Q. -- down?

10 A. With independents, the wholesalers would
11 use that because they felt it was a service they could
12 provide for their customers and our reps would use it
13 with pharmacists as well.

14 Q. And you mean the sales reps would use it?

15 A. Yes, the sales reps. I'm sorry.

16 Q. And so once -- once these were developed,
17 that would also be available to the sales field
18 representatives to use?

19 A. Generally, yes.

20 Q. Anything missing here, logistics, customer
21 service, finance, regulatory and medical?

22 A. Manufacturing.

23 Q. Okay. And why manufacturing?

24 A. Well, man -- manufacturing and logistics

1 are very closely tied, so we would work with them on
2 supply issues or anything along those lines.

3 Q. Manufacturing is where the -- the product
4 was made, correct?

5 A. Right, North Carolina.

6 Q. And that's in North Carolina?

7 A. Um-hum.

8 Q. I take it you've been there?

9 A. Yes.

10 Q. Are there -- how many -- how many plants
11 are there?

12 A. I think there is two. There was only one
13 there when I was working there.

14 Q. Are you familiar with any plant or
15 facility in Rhode Island?

16 A. I know of Rhodes, but I didn't deal with
17 Rhodes.

18 Q. Have you ever visited Rhodes?

19 A. No, I haven't.

20 Q. Do you know what -- do you know why you
21 didn't deal with them?

22 A. Because it was a generic company --

23 Q. That was --

24 A. -- separate -- separate company.

1 Q. Okay.

2 A. I mean, I knew the folks, but...

3 Q. Did you have anything to do -- did
4 national accounts have anything to do with generics,
5 even if they were licensed to be sold by Purdue?

6 A. Not under my watch. There was one
7 co-marketing agreement that I was on that the -- the
8 joint marketing team that I really didn't have a big
9 involvement with it. Somebody thought it was a good
10 idea. I was there, but it probably didn't matter.

11 Q. Okay.

12 Who was your -- do you remember who that
13 co-marketing agreement was with?

14 A. It was Par, I think.

15 Q. And were they licensed to sell generic
16 OxyContin, do you know?

17 MR. STANNER: Object to form.

18 BY THE WITNESS:

19 A. Any generic --

20 MR. HOFFMAN: Objection to form.

21 BY THE WITNESS:

22 A. I was not part of any generic OxyContin
23 deal. This was a non-OxyContin product.

24 BY MS. CONROY:

1 Q. Do you remember what the product was?

2 A. I think it was a dronabinol-type product,
3 but I'm not sure.

4 Q. What's a dronabinol?

5 A. It's a -- it's not cannabis. It is --
6 what's the active -- a THC product.

7 Q. Is it a -- is it an analgesic?

8 A. I don't remember what it was for.

9 Q. Okay. Let's just take another look at
10 Exhibit 2, because I think we have sort of filled in
11 what you were -- it says here:

12 "At Purdue, Seid led initiatives in the
13 areas of track and trace and supply chain security."

14 Track and trace is the -- the SKU on the
15 bottle?

16 A. Yes.

17 Q. "Supply chain security," we talked about
18 that a bit, we'll probably talk some more about that,
19 things like vault and -- vault and security measures
20 that can be taken?

21 A. Right.

22 Q. "Educated retail pharmacy networks and
23 distributors on minimizing drug diversion and opioid
24 abuse, among other safety issues."

1 That's what we just talked about, talking
2 to pharmacists and at the corporate level as well?

3 A. Talking to pharmacists at the corporate
4 level. I -- part of it, also, and I believe they were
5 referencing here, is my work with the law enforcement
6 liaisons to set up programs for pharmacists.

7 Q. And what kind of programs were they?

8 A. They were --

9 THE WITNESS: Somebody is off mute.

10 MS. CONROY: Yeah.

11 Can -- can someone go on mute, please,
12 whoever is on the phone, can everyone go on mute.

13 BY THE WITNESS:

14 A. The -- there was a series of programs that
15 the law enforcement liaisons who also engaged with law
16 enforcement would do that they would do for
17 pharmacists, they would talk about -- one that was
18 very popular was how to harden their pharmacy against
19 robbery. And another one that was popular was looking
20 for what an abuser looks like, that kind of thing.
21 And they were often done at wholesaler meetings and
22 mostly for independents because one of the things that
23 we did was strengthen our relationship with the
24 independent pharmacy group.

1 BY MS. CONROY:

2 Q. What does an abuser look like?

3 MR. HOFFMAN: Object to form.

4 BY THE WITNESS:

5 A. Well, the guys who were all former cops
6 would be the better person to ask than me.

7 BY MS. CONROY:

8 Q. What do you remember them --

9 A. Well, they would talk about what a washed
10 prescription looks like, what an alter -- altered
11 prescription pad looked like, how somebody was paying
12 for it, what kind of -- what kind of identification
13 they were presenting, you know, all of those kinds of
14 things that law enforcement would look for.

15 Q. Where it says "minimizing drug diversion
16 and opioid abuse," is that what you are talking about,
17 that law enforcement piece, are you talking about
18 those two issues?

19 A. Well, that was among that, but just as the
20 piece I indicated that was for pharmacists about what
21 pharmacists need to know about product X, we would
22 talk about what to look for, we had other brochures
23 that we provided in quantity or electronically for
24 distribution.

1 Q. And -- and those might be distributed
2 either from I'll call it the corporate level, you'd
3 be -- they'd be given to Walgreens and then Walgreens
4 could send them wherever they wanted or you might go
5 to a particular independent pharmacy and --

6 A. Give it to them.

7 Q. -- give them. Okay.

8 It says: "Among other awards," you were
9 "twice recognized with the AmerisourceBergen's
10 Manufacturer Award."

11 Do you remember receiving that twice?

12 A. Yes, um-hum.

13 Q. What is the -- by manufacturer, are they
14 just talking about manufacturer like Purdue as opposed
15 to a distributor or a wholesaler?

16 A. No. They are talking about manufacturer
17 as opposed to another manufacturer.

18 Q. Okay. And do you -- what was -- was the
19 criteria for the award, if you know?

20 A. They had significant internal things that
21 they would look at. Mostly it was policies,
22 procedures, relationships, shipping efficiency, return
23 handling, dozens of things.

24 Q. "Finalist for H.D. Smith's Trading Partner

1 of the Year (2007 and 2014)."

2 H.D. Smith is a wholesaler?

3 A. Yes. They were.

4 Q. And what does trading partner -- do you --
5 do you have any idea what the criteria was for Trading
6 Partner of the Year?

7 A. Same as AmerisourceBergen. Almost every
8 wholesaler had some kind of an award like that.

9 Q. "And Contract Partner of the Year." Was
10 that Contract Partner of the Year for H.D. Smith?

11 A. Yes.

12 Q. And that was in 2008?

13 A. Yes.

14 Q. And you won these personally, it wasn't a
15 Purdue Pharma, these were --

16 A. This -- this award they are mentioning
17 here is personally. The rest of that was a team
18 effort.

19 Q. Okay. "Seid also was honored with the
20 Supplier Quality Award from Cardinal Health for seven
21 years (from 2007 to 2014)."

22 Who -- who is the supplier in that award?

23 A. We are. Purdue is.

24 Q. Okay. And do you know the criteria for

1 Cardinal Health's determination?

2 A. Again, they had a whole gamut of different
3 areas that they give you points -- literally gave you
4 points for, kind of a quarterly report card.

5 Q. What kind of awards did you get, what did
6 they look like?

7 A. They looked like nice cut glass things
8 that were etched.

9 Q. Some things to put in your office?

10 A. Well, most of them stayed at Purdue.

11 Q. Okay. Does Purdue have a trophy case?

12 A. I guess. I don't know. I left a whole
13 bunch in my office when I left.

14 MR. HOFFMAN: It's full, it's full of those
15 kinds of stuff.

16 BY THE WITNESS:

17 A. I just took the two personal ones home.

18 BY MS. CONROY:

19 Q. Okay. And it says you were "an active
20 participant in HDMA" and you "served on the REMS
21 Advisory Committee."

22 What's REMS?

23 A. It is risk management. There is a -- a
24 class risk management for Class 2s and rather than

1 have 17 or 18 different risk management programs for
2 the class, it was the objective of the FDA,
3 manufacturing and HDMA to have one that everybody
4 could live with, and I helped facilitate that as a
5 member of the committee.

6 There were other folks from Purdue who I
7 don't remember off the top of my head, but -- who
8 probably did much more work in that. They probably
9 deserve the recognition more than I did, really.

10 Q. Did you -- did you serve on any REM
11 committee at Purdue, or have any involvement in the
12 creation of the REMs?

13 A. Not really. No, not really at Purdue.
14 There were people -- some of the same people involved
15 at -- on -- working on this committee were doing the
16 same thing at Purdue, like David Haddox.

17 Q. Did you work with Dr. Moskovitz from
18 Janssen, do you recall that name?

19 A. No, I don't.

20 (WHEREUPON, a certain document was
21 marked Purdue-Seid Deposition Exhibit
22 No. 004, for identification, as of
23 12/12/2018.)

24 BY MS. CONROY:

1 Q. I'll show you what I have marked as
2 Exhibit 4.

3 A. Thank you.

4 Q. And Exhibit 4 is PKY181715440 through 443.
5 This is a National Accounts Memorandum. You are not
6 on this. It was sent to Mr. Lang from Mr. Green and
7 it is dated May 21st of 1997.

8 This is prior to you joining national
9 accounts, correct?

10 A. Correct.

11 Q. And what I'd like to -- to show to you is,
12 if you turn the page to the -- to the last page of the
13 document, and under Strategic Direction, do you see
14 that?

15 A. Yes, I see it.

16 Q. It says: "Over 80 percent of the current
17 drug wholesaler market is controlled by four players.
18 McKesson, Bergen, Cardinal, and AmeriSource."

19 Do you see that?

20 A. Yes.

21 Q. During your tenure, that 80 -- well,
22 AmeriSource and Bergen joined, correct?

23 A. Correct.

24 Q. And would you agree with me that during

1 your tenure in national accounts that 80 percent grew,
2 became higher?

3 A. Yes, yeah.

4 Q. And I think we'll look at some documents,
5 but it -- it was over 90 percent --

6 A. Yeah.

7 Q. -- correct?

8 A. It was well into the 90s, yes.

9 Q. It says: "It is my suggestion that we
10 should participate in programs that are relevant to
11 these four customers."

12 Do you see that?

13 A. Yes.

14 Q. And you agreed with that and you carried
15 that out when you became the senior director, correct,
16 and then the executive director?

17 A. I -- this is the first time I've seen this
18 document, but, yeah, yes, I did do that.

19 Q. Then if you --

20 A. Well, I -- I shouldn't -- well, let me
21 rephrase, reframe that.

22 I don't know what he means here by
23 "programs," so I can't say I did that.

24 Q. Okay. That's -- that's fair.

1 We skip a sentence, it says: "Our
2 wholesaler trading partners are moving away from
3 simply performing a distribution function. More and
4 more they are becoming information vendors. They have
5 captured information in terms of compliance,
6 substitution, and patient demographics, that they wish
7 to sell to us."

8 Do you see that?

9 A. Yes.

10 Q. And that's -- that's correct, right?

11 MR. STANNER: Objection; form and foundation.

12 MR. HOFFMAN: Same.

13 (Reporter clarification.)

14 MS. CONROY: I don't know that it matters,
15 but...

16 MS. PORTER: She just wants to write down who it
17 is.

18 MS. CONROY: No, I know. Do you care -- do
19 you --

20 MR. STANNER: It is Stanner from McKesson.

21 BY MS. CONROY:

22 Q. You can answer.

23 A. I don't know what Jim was looking for
24 here. It's kind of a broad sentence. There is

1 information, but other than -- and he is right that
2 the large wholesalers have other aspects of their
3 business which mines data or provides data, but I
4 can't say I know exactly what -- I can't say I know
5 exactly what he was looking for here.

6 Q. Let me ask you this --

7 A. It seems -- seems very general to me. I
8 would assume there was some discussion related to this
9 that gave this some -- some depth, but not with me.

10 Q. Okay. That's true.

11 Would you agree that when you went into
12 national accounts, would you agree that Purdue's
13 wholesale trading partners captured information that
14 dealt with compliance?

15 A. Compliance in the sense of -- comp --
16 comp -- compliance can mean patient compliance as well
17 as compliance as far as regulatory compliance. So I
18 don't know which of these he was talking about.

19 Q. What was your experience, did they capture
20 information with respect to patient compliance when
21 you were head of national accounts?

22 A. If they did, I didn't seek to buy it.

23 Q. Okay. Do you know if they did?

24 A. I -- it's nothing I explored.

1 Q. Okay. What about patient demographics
2 generally, did you buy that?

3 A. Not from them. I mean, the company did,
4 but I had nothing to do with that.

5 Q. Purdue purchased patient demographics but
6 you did not purchase patient demographics as a
7 component of national accounts from wholesalers?

8 A. I don't know -- I don't know if Purdue
9 purchased patient demographic information from
10 wholesalers.

11 Q. Oh, I'm sorry. I misunderstood what you
12 said.

13 A. I know I certainly didn't, but I don't
14 know if Purdue did in general.

15 Q. Do you know if the vendor chargeback
16 policy of recouping the 2 percent, do you see that's
17 in the next sentence there, was in effect when you
18 came into national accounts?

19 A. No, I don't know. I don't know what he
20 was after here.

21 Q. Does that ring any -- does it ring any
22 bells with you?

23 A. Well, this issue with vendor chargeback,
24 they were basically held by -- handled by other

1 departments than national accounts.

2 Q. Okay. You can put that document away.

3 (WHEREUPON, a certain document was

4 marked Purdue-Seid Deposition Exhibit

5 No. 005, for identification, as of

6 12/12/2018.)

7 BY MS. CONROY:

8 Q. I'll show you what I have marked as

9 Exhibit 5.

10 A. Thank you.

11 Q. Which is produced natively

12 PPLPC008000018733, and this document is "Living Our

13 Vision," and your name is here, "Steve Seid, Senior

14 Director Trade Relations and National Accounts."

15 Do you see that?

16 A. Yes.

17 Q. And do you know what this would have been?

18 A. We're in training class presentation.

19 Q. Okay. And who would a training class

20 presentation be given to?

21 A. It would be given to -- I think this was

22 for new hires. So the objective was to get the -- as

23 part of the reps' training to give them exposure to

24 other departments in the -- in the company.

1 Q. Okay. And would you give this
2 presentation yourself?

3 A. I would do it myself.

4 Q. I believe the date of this, although it's
5 not easy to find it, and we may see it in here, is
6 2001.

7 Is that --

8 A. It probably -- it looks very early.

9 Q. Okay. And this training would assist in
10 just what you say here: "What do we do in national
11 accounts? We call on national accounts, really big
12 accounts."

13 Do you see that?

14 A. Um-hum.

15 Q. And: "Serviced by four national account
16 managers."

17 That's not their picture though, right?

18 A. That was based on my New Jersey roots.

19 Q. You -- you had the -- who were the four
20 national account managers at this time, do you
21 remember?

22 You know, they may have their -- let me --
23 I don't mean to give you a memory quiz -- question.
24 They may actually -- you may list their names -- you

1 do list their names. We'll keep going along.

2 And you have the learning objectives. You
3 are going to explain what national accounts and trade
4 relations does, correct?

5 A. Um-hum, um-hum.

6 Q. "How we work with you to try to drive
7 sales"?

8 A. Um-hum.

9 Q. An "industry overview," do you see that?

10 A. Um-hum.

11 Q. Would that be an industry overview of the
12 wholesaler business, the --

13 A. Right. How it --

14 Q. The pharmacy business?

15 A. Right, how it -- how a product gets from
16 Point A to Point B.

17 Q. Okay. "Synergy on value-added programs."
18 Do you remember what that is?

19 A. Things like doing educational programs for
20 pharmacies.

21 Q. "Working retail," what does that mean?

22 A. Working the retail pharmacy.

23 Q. And then you list the responsibilities,
24 which is the: "Distribution of all of the current

1 products"?

2 A. Um-hum.

3 Q. "New product distribution and promotion of
4 all of our products."

5 Do you see that?

6 A. Um-hum.

7 Q. And then: "Trade relations, building
8 bridges with our major customers."

9 What did -- do you recall what you meant
10 by that?

11 A. We talked about some before is that it was
12 the prime objective to improve the relationship with
13 all of our major customers so that -- that we could
14 work more effectively together and that that needed
15 work.

16 Q. Okay. If you skip a few pages and you'll
17 come to an organizational chart.

18 A. Um-hum.

19 Q. And you're here?

20 A. Um-hum. Yes.

21 Q. Cheryl Reuss, that's who you would go to,
22 for example, we spoke this morning, to get a --

23 A. Yes.

24 Q. -- a standard operating protocol or

1 whatever?

2 A. Right. Her title actually was senior
3 coordinator, I believe.

4 Q. Okay. And then you had Maria Gallagher
5 was an analyst and Donna Primarano was a senior
6 analyst?

7 A. That's correct.

8 Q. What did they analyze?

9 A. Both of them pretty much analyzed -- or
10 worked on material related to -- to the OTC products.

11 Q. Okay.

12 A. Ad claims, things like that.

13 Q. And then here are the four national
14 account representatives?

15 A. Right.

16 Q. And NAM, is that national account manager?

17 A. Manager, correct.

18 Q. And they were assigned -- they had
19 assigned, would you call these customers?

20 A. Customers, yes.

21 Q. Okay. And -- okay.

22 Keep going on the slides to the one where
23 you see the MS Contin bottle.

24 A. Um-hum.

1 Q. And you say: "National Accounts.
2 Providing support and generating demand for Rx
3 products."

4 And then it says: "MS Contin 7 percent
5 promotion January 15 to February 16 of 2001,
6 339,820 units, \$79,391,912," and the original forecast
7 for 2001 is below at \$57,515 -- I'm sorry --
8 57 million from 79 million.

9 What is the meaning of this slide, what
10 were you -- what were you teaching the sales force and
11 others?

12 A. I was showing them that there was a
13 promotion, MS Contin was highly genericized at that
14 point, so at our full cost it was not -- not
15 beneficial for many of the retailers to dispense that
16 product, so we gave them a discount for 30 days to try
17 to displace some of the generic product.

18 Q. And I take it that was successful?

19 A. It was successful.

20 Q. Because you -- you sold 20 million more?

21 A. Than forecast.

22 Q. You -- than forecasted.

23 A. It was a declining product at that time.

24 Q. And was the -- was the idea of this

1 promotion with the discount, did that originate with
2 national accounts?

3 A. Yes, it did.

4 Q. Then if you turn the page, you talk about
5 a 10 percent Uniphyl rebate.

6 Is that something similar, that was a way
7 of generating more business in a product using either
8 a rebate or at least for the MS Contin some sort of a
9 discount?

10 A. Yes.

11 Q. And that would be to your customers who
12 were either the wholesalers or the --

13 A. The Uniphyl --

14 Q. -- pharmacy, the retail -- independent
15 pharmacies?

16 A. The Uniphyl re -- rebate was to the -- to
17 the -- to the retailer.

18 Q. To the retail pharmacies?

19 A. Yes. They had to mail in proof of
20 purchase and -- to get the rebate.

21 Q. And so the pharmacy itself would mail --
22 this wasn't a patient that would mail in the rebate,
23 this was the --

24 A. Pharmacy that would mail in --

1 Q. -- pharmacy that would mail in the rebate?

2 A. Um-hum.

3 Q. And the MS Contin discount, was that --

4 A. Through the wholesaler.

5 Q. Through the wholesaler, so that the -- the

6 purchase of the product, there would be a 10 percent

7 discount on the -- whatever the --

8 A. Seven percent.

9 Q. I'm sorry. Seven percent discount on

10 whatever the -- it's not bulk, but on the -- on the

11 entire --

12 A. Right.

13 Q. -- inventory?

14 A. For a period of time.

15 Q. Then if you go almost to the end of this

16 slide show, you'll see something with CVS Pharmacy --

17 a letter with CVS Pharmacy on the top.

18 And this is a letter on -- from June --

19 oh, here is the -- well, this helps us a little bit

20 more with the date.

21 "CVS/pharmacy" and "Partners Against

22 Pain," do you see that?

23 A. Um-hum.

24 Q. And Purdue's logo is down at the bottom of

1 the letter.

2 Do you see that?

3 A. Yes. Yes.

4 Q. And this is a letter that went to CVS
5 pharmacists. Do you see that?

6 A. Yes.

7 Q. So would this have been something that
8 would have gone out from corporate in CVS and would
9 have been approved to go to all of the CVS
10 pharmacists?

11 A. That is correct.

12 Q. Okay. And then it says:

13 "CVS is proud to participate in Partners
14 Against Pain, a therapeutic alliance of pharmacists,
15 physicians, nurses and pain experts sponsored by
16 Purdue Pharma."

17 Do you see that?

18 A. Yes.

19 Q. And that would -- and if you go a little
20 bit further down, it says:

21 "Along with hundreds of educational
22 programs and brochures, Partners Against Pain sponsors
23 the award-winning website www.partnersagainstpain.com,
24 which provides pain information, assessment tools

1 and" -- "assessment tools and support, 24 hours a day.
2 We hope you and your customers will visit this site
3 and that the enclosed brochure will help you in your
4 efforts to serve your customers and protect your
5 pharmacy from drug diversion."

6 Do you see that?

7 A. Um-hum.

8 Q. Would this --

9 A. Yes, I do.

10 Q. Would this have been something that you
11 would have helped to put together with CVS?

12 A. Yes.

13 Q. And how would -- how would this assist you
14 with the individual pharmacists, what would it -- what
15 would it do for you at national accounts?

16 MR. HOFFMAN: Object to the form.

17 BY THE WITNESS:

18 A. What it would do for us at national
19 accounts. First of all, as I remember, the letter was
20 prepared -- they agreed to do this, but the letter was
21 prepared by them. It got reviewed, but it was their
22 letter since it was on their letterhead.

23 And the objective, as mentioned
24 previously, was the initial focus was on the brochure,

1 how to stop drug diversion and protect your pharmacy,
2 which was a brochure as to, again, what to look for
3 and a prop -- an appropriate script, things to do
4 to -- to harden the pharmacy against theft.

5 So the goal was to build a better
6 relationship with CVS, No. 1, and No. 2, and probably
7 more importantly, was to get information out to some
8 seven or 8,000 pharmacies and another --
9 pharmacists -- no, it was probably more than that. It
10 was probably about 12,000 pharmacists and about 18,000
11 pharmacy techs.

12 BY MS. CONROY:

13 Q. And that would be information about drug
14 diversion, how to stop drug diversion and protect your
15 pharmacy?

16 A. Right.

17 Q. Which is listed here. And also at the
18 last sentence here: "Provide the right patients with
19 the right pain medication at the right dosage under
20 the right supervision."

21 Do you see that?

22 A. Um-hum.

23 Q. And so --

24 A. I do.

1 Q. -- those would be two of the -- at least
2 two of the objectives?

3 A. Right.

4 Q. And also to identify for them the website
5 where they could get additional information?

6 A. As a resource.

7 Q. Okay. And that would have included what
8 we looked at, Exhibit 3 or 4, which is the pamphlet
9 Partners Against Pain, correct?

10 A. Yes.

11 Q. And then if you --

12 MR. HOFFMAN: I'm sorry. Late objection to form
13 and to timeframe as this is 2001 and the brochure is
14 1997.

15 BY MS. CONROY:

16 Q. You don't know whether -- what was on the
17 website or what came off the website in any particular
18 time, do you?

19 A. No.

20 Q. Because that -- you weren't overseeing the
21 website, correct?

22 A. No, I was not.

23 Q. But you did tell your customers that the
24 website was available for them, correct?

1 A. Correct.

2 Q. And then if you turn the page, there is
3 something similar. I didn't go by it word for word,
4 but it looks like it is almost the identical letter
5 from June of 2001 that went out to the Walgreen -- the
6 Walgreens' pharmacists.

7 A. Yes.

8 Q. Do you see that?

9 A. Yes.

10 Q. You had an estimate for the CVS
11 pharmacists, what do you think, about 12,000?

12 A. About the same probably.

13 Q. About the same for Walgreens?

14 A. I might be underestimating, but it sounds
15 right.

16 Q. Okay.

17 A. A lot of pharmacists.

18 Q. You can put that one away.

19 A. You don't want me to go over the Senokot
20 promotions here?

21 Q. No. I want to hear about the ear wax.

22 MR. HOFFMAN: If you are moving on to something
23 else, is it okay if we take a brief break?

24 MS. CONROY: Oh, yeah. Sure.

1 THE VIDEOGRAPHER: We are off the record at
2 4:12 p.m.

3 (WHEREUPON, a recess was had
4 from 4:12 to 4:25 p.m.)

5 THE VIDEOGRAPHER: We are back on the record at
6 4:25 p.m.

7 (WHEREUPON, a certain document was
8 marked Purdue-Seid Deposition Exhibit
9 No. 006, for identification, as of
10 12/12/2018.)

11 BY MS. CONROY:

12 Q. Mr. Seid, I'm going to pass to you
13 Exhibit 6. We don't have as many copies of this
14 document, but we are not going to go into it as much,
15 except for one page. It is PPLPC004000092270.

16 And, Mr. Seid, this is -- this -- the
17 cover letter shows that this is dated at the end of
18 2006, December 13th, 2006, and it's a Phase 1
19 presentation slide from you to Janet Koch.

20 Do you see that?

21 A. Yes.

22 Q. And then it looks like the name of it is
23 "New Hire 2006."

24 Do you see that?

1 A. Yes.

2 Q. Is this a similar -- if you take a look at
3 the first page --

4 A. Yes.

5 Q. -- is this also a training slide deck?

6 A. Yes.

7 Q. And this is something that you would have
8 presented?

9 A. Yes. It's a Phase 1.

10 Q. Okay.

11 And what does -- what does Phase 1 mean?

12 A. New hires.

13 Q. Okay.

14 One of the pages in this slide deck looks
15 like this, if you could find that one.

16 MS. PORTER: Beginning, middle, end?

17 MS. CONROY: Let me see if I can --

18 BY THE WITNESS:

19 A. I should have numbered my pages.

20 BY MS. CONROY:

21 Q. It is not near the end. It is closer to
22 the beginning. Yeah, it's -- it's after the DEA form.
23 You found it.

24 Did you create this chart?

1 A. Yes.

2 Q. Okay. And it was -- it was helpful to me,
3 so I wanted to make sure that I understood what's
4 happening here. Okay.

5 This is Purdue right here in the light
6 blue?

7 A. That's Purdue corporate, yes.

8 Q. Purdue corporate, okay.

9 And that's where you are located, is that
10 correct?

11 A. Correct.

12 Q. And over on the left-hand side is
13 Walgreens and on the right-hand side is RiteAid?

14 A. Yes.

15 Q. And are those -- is that RiteAid corporate
16 and Walgreens corporate or are those drugstores?

17 A. The two on top would be RiteAid corporate.
18 I mean the corporate RiteAid and Walgreens corporate.

19 Q. Okay. And then if you look down where it
20 says "Purdue Pharmaceuticals," what is that intended
21 to represent?

22 A. North Carolina.

23 Q. The manufacturing plant?

24 A. Yes.

1 Q. Let's see if I can get rid of this glare.

2 That's where the -- the OxyContin is made?

3 A. Yes.

4 Q. And the But -- Butrans?

5 A. I don't -- I don't believe Butrans was
6 made there.

7 Q. Where do you think Butrans was made?

8 A. I'm not really sure.

9 Q. Was it made by Purdue Pharmaceuticals?

10 A. I'm not sure where that was made. It was
11 originally made in Germany.

12 Q. Who was it made by?

13 A. I -- I don't remember.

14 Q. Was it Mundipharma?

15 A. I'm not sure.

16 Q. Does -- is that familiar to you,
17 Mundipharma?

18 A. Yes.

19 Q. Okay. But you don't know whether Butrans
20 was manufactured by Mundipharma?

21 A. I don't remember.

22 Q. Was it manufactured, do you recall, by
23 some entity unrelated to Purdue Pharma or Mundipharma?

24 A. I really -- it wasn't -- I don't believe

1 it was manufactured in North Carolina.

2 Q. Okay. Did you have some responsibility at
3 national accounts for the distribution of Butrans?

4 A. Yes, I did.

5 Q. And where did you get the supply from, do
6 you know, or did you ever know?

7 A. I think the supply came out of North
8 Carolina, but I don't think they made it there.

9 Q. I see.

10 So -- so it -- if you were looking at what
11 sort of inventory you had within Purdue for Butrans,
12 that would have been a North Carolina question, you
13 are just not sure where they actually made the pills?

14 A. That's correct.

15 Q. Was MS Contin manufactured at Purdue
16 Pharmaceuticals?

17 A. I believe so.

18 Q. And how about Intermezzo?

19 A. I'm not sure about Intermezzo.

20 Q. Now, I see, for example, on the left-hand
21 side from Walgreens corporate there is a CII order
22 that comes into Purdue corporate.

23 Do you see that?

24 A. Yes.

1 Q. Now, is that -- is that Walgreens ordering
2 as a wholesaler, for example, OxyContin from Purdue?

3 A. That would be in the event Walgreens
4 ordered directly from Purdue.

5 Q. And does -- and -- and did they on
6 occasion?

7 A. 2006, yeah, it was still on occasion that
8 they would.

9 Q. And that's what this chart is representing
10 to the -- to whoever you are training, the sales
11 force, that there are instances where Walgreens
12 corporate is directly ordering a -- a CII product from
13 Purdue corporate, correct?

14 A. Yes.

15 Q. And if you go by the green arrows, when
16 that order comes into Purdue corporate, then that is
17 transmitted, that order request is transmitted to
18 Purdue Pharmaceuticals, correct?

19 A. Yes.

20 Q. And who does -- what department does that
21 in Purdue corporate?

22 A. Customer service.

23 Q. And so customer service tells the
24 manufacturing arm, this is what we -- this is what the

1 order looks like, this is what we need to fill?

2 A. Yes.

3 Q. And then if you follow the green arrow, it
4 goes over to the left here where it says "Walgreens
5 DC".

6 Do you see that?

7 A. Yes.

8 Q. And what does DC stand for?

9 A. Distribution center.

10 Q. Okay. And that means that the order is
11 placed in corporate, it's transmitted to
12 manufacturing, manufacturing makes the product or the
13 pills, and then those are shipped to the distribution
14 center for Walgreens?

15 A. Yes.

16 Q. Okay. And does it matter that it is
17 Walgreens? Is that sort of the process that would
18 take place with respect to a CII order coming directly
19 into Purdue corporate?

20 A. This -- what that would demonstrate is
21 that if there was a chain that had a warehouse with a
22 vault that they could order that way.

23 Q. And the warehouse with the vault would be
24 the distribution center?

1 A. Yes.

2 Q. And so in order to -- to put an order
3 directly into Purdue corporate, there had to be some
4 showing that there was a distribution center with a
5 vault?

6 A. Correct.

7 Q. And is that something you would audit, you
8 would know at national accounts?

9 A. Yes.

10 Q. And would customer service know that as
11 well in order to take the order or would you know
12 about the order when it came in as well?

13 A. Customer service would know that it was
14 listed as a customer.

15 Q. And that they had a vault?

16 Okay.

17 And then from the Walgreens distribution
18 center there are green arrows and I take it that means
19 that the product or OxyContin, the controlled, the CII
20 drug would be then distributed out to individual
21 Walgreens?

22 A. That is correct.

23 Q. Then if you look on the right-hand side,
24 the RiteAid corporate offices, this works a little bit

1 differently if you follow the orange arrow. There is
2 a CII order that goes down to this building down here
3 in the center.

4 What -- what is that building?

5 A. It's probably missing a label. But it
6 would be a wholesaler.

7 Q. Okay. And that would be a wholesaler like
8 Cardinal or McKesson or AmerisourceBergen?

9 A. Um-hum. Mc -- it would be McKesson.

10 Q. Okay. And -- and you know -- why -- why
11 do you know it would be McKesson?

12 A. Because RiteAid was a customer of
13 McKesson.

14 Q. Got it. Okay.

15 And so the order would be placed by
16 RiteAid corporate to McKesson, then McKesson would
17 place an order with Purdue corporate, correct?

18 A. That is correct.

19 Q. And then Purdue corporate, a department at
20 Purdue corporate -- would it also be customer service?

21 A. Yes.

22 Q. -- would then relay that order to Purdue
23 Pharmaceuticals for the manufacture of that order to
24 take place or to -- or to fill that order?

1 A. That is correct.

2 Q. And then from there it goes back to the
3 wholesaler, the actual product goes to the wholesaler,
4 correct?

5 A. Correct.

6 Q. And then from McKesson, the wholesaler, it
7 goes to RiteAid's distribution center, correct?

8 A. That's probably a -- a bad arrow. It
9 would go from -- it would go from the McKesson DC to
10 the RiteAid stores, not to the dis -- distribution
11 center.

12 Q. Is there -- is there any reason for
13 RiteAid to have a distribution center in this chain?

14 A. Yeah. This was -- this was not the
15 finished copy. As you noted, it had to go through
16 compliance first, so this was just a draft copy. It
17 doesn't say draft on it, but --

18 Q. So you think this -- so you think this
19 changed.

20 So the way you would -- looking at this
21 right now, the way you would change this is this whole
22 distribution center would be gone and --

23 A. Right.

24 Q. -- the -- the drug would just go out to

1 the retailer. So it would just look -- it would get
2 rid of this arrow here?

3 A. Yeah.

4 Q. Okay.

5 A. Yes.

6 Q. Now, let's talk about in this chart where
7 the money is going.

8 The Walgreens Corp. -- corporate orders
9 directly to Purdue corporate. Who gets billed for
10 that order? Who pays for that?

11 A. If that was the case, Walgreens would get
12 billed.

13 Q. And would it be Walgreens corporate that
14 would be billed?

15 A. Correct.

16 Q. And so this -- the -- the money would go
17 this way?

18 Oh, you can't see it at all. So the -- so
19 Walgreens -- so the bill would go from Purdue
20 corporate to Walgreens corporate, Walgreens corporate
21 would then pay the bill back to Purdue corporate?

22 A. Yes.

23 Q. Okay. When the order comes from McKesson,
24 who do you send the bill to?

1 A. McKesson.

2 Q. And then McKesson sends the money back to
3 corporate?

4 A. Correct.

5 Q. Is that correct?

6 Now, the data issues that we spoke about
7 this morning and a little bit this afternoon, you, in
8 national accounts, you are receiving daily -- I know
9 sometimes it's weekly, but you had -- you would like
10 daily information with respect to the product that
11 goes out as well as -- the product that's left the
12 wholesaler or the distribution center, as well as how
13 much product went in, that's coming to you at national
14 accounts?

15 A. Yes.

16 Q. And where is that coming from?

17 Are you getting that data from Walgreens
18 corporate or do you get the data from the Walgreens
19 distribution center?

20 A. In this scenario we would not be getting
21 data from Walgreens. The data only comes from the
22 wholesaler.

23 Q. I didn't hear the last thing.

24 Only from the wholesaler, so only from --

1 you would not get any data from Walgreens?

2 A. Right.

3 Q. And that's because of what you told me
4 they had the -- the blinded policy or blocked policy?

5 A. No, we would not be getting it at the
6 store level in this case because Walgreens ordered
7 direct. They stopped ordering direct altogether
8 after -- shortly after this slide was produced.

9 Q. Okay. If they -- when they stopped
10 ordering direct, were they then going through a
11 wholesaler --

12 A. Yes.

13 Q. -- like McKesson?

14 A. Yes.

15 Q. Which -- which wholesaler did they use?

16 MR. STANNER: Objection to form.

17 BY THE WITNESS:

18 A. AmerisourceBergen.

19 BY MS. CONROY:

20 Q. And would that mean that after -- after
21 they stopped ordering directly to corporate and they
22 were using AmerisourceBergen, would you in national
23 accounts be receiving that daily data from Ameri --
24 about the Wal -- about Walgreens from

1 AmerisourceBergen?

2 A. This was 20-- -- 2006. I don't believe we
3 were getting the data at that time.

4 Q. When do you think it started that you got
5 the data?

6 Let -- let me ask it this way. We talked
7 earlier about the suspicious order monitoring and that
8 seemed to be at the very beginning of 2007.

9 Were you getting it by 2007?

10 A. I believe it was later than that, but I
11 don't have the exact date off the top of my head. It
12 was later than that. I don't have the exact date.

13 Q. Did you have any other way of getting
14 individual store data in 2007 other than from a
15 wholesaler?

16 A. The only way we got sell out data was
17 through a wholesaler if we had an agreement in place.

18 Q. What about from IMS, did you ever use IMS
19 for this -- for some ability to see what was happening
20 at the retail level?

21 A. I did not use IMS for that.

22 Q. Up until the wholesalers were involved and
23 that data was available, did you not have -- did you
24 not have data with respect to what was being held and

1 sold out of the distribution centers?

2 MR. HOFFMAN: Object to form.

3 BY THE WITNESS:

4 A. Could you rephrase that? I'm not sure.

5 BY MS. CONROY:

6 Q. Sure.

7 A. You --

8 Q. I -- you -- when you first spoke to me
9 about this, we talked -- you talked about there being
10 paper forms back and forth and a lot of difficulty in
11 evaluating what -- what inventories were with the
12 wholesalers.

13 Do you recall that testimony?

14 A. I believe I indicated that it was
15 difficult to know what was sold out. We always knew
16 what was sold in.

17 Q. Okay. So you -- you always knew what you
18 sent to the wholesaler?

19 A. Correct.

20 Q. Is that correct?

21 And you always knew what you sent to
22 Walgreens or anyone else that had a direct contract,
23 correct?

24 A. Correct.

1 Q. What it was then difficult to determine
2 was how much went out from the wholesaler?

3 A. How much was sold.

4 Q. Okay. And at some point you had some
5 ability to collect that data?

6 A. Yes, once we had agreements in place.

7 Q. And those were the fee-for-service
8 agreements?

9 A. That is correct.

10 Q. And you did not have that data until you
11 entered into the fee-for-service agreements?

12 A. That is correct.

13 Q. And you did not use IMS for that purpose?

14 A. No.

15 Q. And once you had the fee-for-service
16 agreements in place, were you using -- were you using
17 ValueCentric at that point or was there some other
18 data company that you were using?

19 A. We were using a -- a different vendor who
20 was -- I will -- I don't remember.

21 Q. Did it have "Edge" in the name?

22 A. Oh, Edge Dynamics, thank you for that.

23 Q. Edge. Okay. So it was -- it was -- how
24 long was it Edge Dynamics?

1 A. I'm thinking about three years.

2 Q. Okay. And then it went to ValueCentric?

3 A. ValueCentric.

4 Q. Is there a difference between ValueCentric
5 and ValueTrak, or is one of them the name of the
6 product?

7 A. ValueTrak is the product.

8 Q. Do you recall when you started to use
9 ValueCentric or when you started to use Edge Dynamics,
10 so can you put any kind of a -- any kind of years on
11 it?

12 A. It is just an estimate, I think Edge was
13 2003 to 2006 and after that it was ValueCentric would
14 be my estimate.

15 Q. And it was ValueCentric until May of 2014
16 at least?

17 A. At least.

18 Q. Do you know if -- if Purdue still uses
19 ValueCentric?

20 A. I don't know.

21 Q. Let's just -- don't put that too far away
22 because I'll probably have some more questions about
23 it, but -- so, do you want a Post-It note to keep that
24 page?

1 MS. PORTER: Thank you.

2 BY MS. CONROY:

3 Q. Did you have any fee-for-service
4 agreements in place during the time that you were
5 using Edge Dynamics?

6 A. Yes.

7 Q. Do you recall who you had those in place
8 with?

9 A. I don't recall all of the accounts, but
10 certainly the may -- three major wholesalers.

11 (WHEREUPON, a certain document was
12 marked Purdue-Seid Deposition Exhibit
13 No. 007, for identification, as of
14 12/12/2018.)

15 BY MS. CONROY:

16 Q. I'll show you what I'm marking as
17 Exhibit 7. PPLPC004000247116 and 118 is the native
18 production of a "2010 National Accounts," this says
19 "Level 150."

20 Is that also a training --

21 A. Yes.

22 Q. -- training deck?

23 What's Level 150?

24 A. I think it's the second phase of new

1 hires, they were probably out in the field for a while
2 and come back.

3 Q. And this is a -- you've sent this to Janet
4 Koch on Friday, August 20th, 2010.

5 Do you see that? And then you have
6 attached the slide deck?

7 A. Um-hum. Yes.

8 Q. Okay. And this looks pretty familiar from
9 what we looked at before, we got a little bit
10 better -- the New Jersey guys are a little bit better
11 dressed this time around.

12 Then if you would turn to, there is
13 another diagram in here -- or let's -- before we do
14 that, let's look. These are numbered. Let's go to
15 Page 16. And this is 2010.

16 Is Ms. Reuss -- has she moved or is she
17 just not on this chart?

18 A. She got remarried.

19 Q. Oh, okay. So what's her last name?

20 A. Sicillano.

21 Q. Got it. Okay.

22 And now you have one analyst, is that
23 correct, instead of two?

24 A. Yes.

1 Q. Okay. And then here are your four
2 national account managers?

3 A. Yes.

4 Q. And the -- and their responsibilities?

5 A. That's correct.

6 Q. And then if you turn to the first diagram,
7 which is: "The Purdue chain drug supply chain
8 warehousing (with vault)."

9 Do you see that?

10 A. Yes.

11 Q. So this is a picture of, here in the
12 center, this is Purdue in Stamford, Connecticut,
13 correct?

14 A. Yes.

15 Q. That's the company headquarters?

16 A. Yes.

17 Q. And then take a look at the orange arrows.
18 There is an orange arrow out that says "Walgreen 222."

19 What does that mean?

20 A. That if there is a Walgreen-specific order
21 that is designated not for their warehouse but to be
22 distributed through Cardinal, it would be -- well,
23 that's really not the case.

24 What this is showing is that -- an account

1 like Walgreens that has a vault can order direct or
2 they can get product through the wholesaler.

3 Q. I -- oh, I see. Okay.

4 So on the left-hand side we have Walgreens
5 and the green arrow is a -- is a direct order?

6 A. Right.

7 Q. And on the right-hand side it's a
8 wholesaler order?

9 A. Correct.

10 Q. And then when it's a direct order, Purdue
11 is sending that order down to Purdue Pharmaceuticals
12 in Wilson, North Carolina, we've got a picture of that
13 manufacturing plant, and then the product goes out to
14 the Walgreens distribution center that has the vault,
15 correct?

16 A. Correct.

17 Q. And then it goes out to the individual
18 stores.

19 And in a direct order, would Purdue
20 national accounts in 2010 see any of the data with
21 respect to Walgreens if they had a fee-for-service
22 with Walgreens?

23 A. We would not have a fee-for-service with
24 Walgreens.

1 Q. And so you would not see -- you would not
2 see the data?

3 A. They would not see the store-level data.

4 Q. And then if we take a look on the
5 right-hand side, Cardinal Health places an order on
6 behalf of Walgreens, is that correct?

7 A. Correct.

8 Q. And then Purdue sends that order to
9 Wilson, North Carolina, the product is then sent back
10 to Cardinal Health, the distribution center that has a
11 vault, correct?

12 A. Correct.

13 Q. And then that is delivered in this big
14 arrow to the Walgreens distribution center with a
15 vault or can it go to the individual Walgreens?

16 A. Either they had -- they would do on
17 occasion overlapping.

18 Q. So --

19 A. Ultimately it was Cardinal to the stores.

20 Q. Okay. So -- so at some point you would --
21 it would go directly to the stores from Cardinal and
22 that sort of data you could see, correct?

23 A. Probably not until a couple of years after
24 this.

1 Q. And why is that?

2 A. Because we made an arrangement with
3 Walgreens.

4 Q. So could -- if it was going through
5 Cardinal as the wholesaler and if you had a
6 fee-for-service agreement with -- with Cardinal, could
7 you see data concerning shipments to Walgreens?

8 A. On occasion we could pick up a couple of
9 stores, but usually it was blocked.

10 Q. Okay. And then it wasn't until a few
11 years later you believe that you actually had an
12 agreement to be able to see the data from Walgreens?

13 A. Right.

14 MR. HOFFMAN: Object to form.

15 BY MS. CONROY:

16 Q. And would that create -- when that -- when
17 that agreement took place, did you have the ability to
18 see what was going out and what was being sold at
19 Walgreens all of the way down to the retail level?

20 A. Yeah, we were able to see store level
21 data.

22 Q. And would that agreement have been a
23 fee-for-service with Walgreens or something else?

24 A. There was a fee for the data, but we had

1 made an agreement -- we had an agreement with
2 Walgreens, and I don't remember if it was after I
3 left, to test receiving the data and ultimately there
4 would be a fee.

5 Q. Did the -- in some of the fee-for-service
6 agreements, the data, it was sort of a combination,
7 we'll supply the drug and you supply the data back and
8 there would be a credit arrangement, correct, to pay
9 for the data?

10 A. Yes.

11 Q. And that was different with Walgreens, it
12 wasn't -- there was just a separate data contract?

13 A. This was a sep- -- a separate agreement.

14 Q. What about promotion with respect to
15 Walgreens, was there a separate agreement for that?
16 For example, promotion through the pharmacists, being
17 able to send letters to the pharmacists or e-mails or
18 rebate information or anything like that?

19 A. If they would agree to do it, it would be
20 directly with them.

21 Q. And would there be a charge for that,
22 would Walgreens charge to be able to do any sort of
23 promotion?

24 A. Not usually.

1 Q. But they did charge for their data?

2 A. Yes.

3 Q. Okay. You can put that one away.

4 THE WITNESS: It is a good organization,
5 AmeriCares.

6 (WHEREUPON, a certain document was
7 marked Purdue-Seid Deposition Exhibit
8 No. 008, for identification, as of
9 12/12/2018.)

10 MS. CONROY: I may have some more. I can't
11 tell. I may have some more copies of that.

12 BY MS. CONROY:

13 Q. Exhibit 8 is PPLPC004000341299 and it
14 attaches "Channel Operations," by Steven Projansky.
15 And this document is dated Thursday, November 29th,
16 2012, and it's from Steve Projansky.

17 He is one of the account -- the national
18 account managers, correct?

19 A. No. Steven Projansky is -- I don't
20 remember if he was associate or assistant, but he was
21 a director in national accounts reporting to me. He
22 was a corporate person.

23 Q. Was he part of national accounts and trade
24 relations?

1 A. Yes.

2 Q. And what was his title?

3 A. Either associate or assistant director of
4 national accounts.

5 Q. Was he superior to the national account
6 managers?

7 A. Not really.

8 Q. What were his responsibilities?

9 A. His responsibilities were to deal with the
10 data on a daily basis, deal with ValueCentric, deal
11 with internal customers as it relates to the data
12 dissemination, and assist me where -- where needed.

13 Q. What's an internal customer?

14 A. Internal customer?

15 Q. Yes.

16 A. The sales reps were internal customers.

17 Q. Okay. Of the data. So he would assist
18 the sales reps?

19 A. Oh, I'm -- I'm sorry. I misunderstood.
20 Does it say internal customer here?

21 Q. You -- you said it. That's what you said.
22 "He assisted me" -- you said: "His responsibilities
23 were to deal" -- "deal with data on a daily basis,
24 deal with ValueCentric, with internal customers as it

1 relates to the dissemination and assist me where
2 needed."

3 A. Internal customers from my perspective?

4 Q. I'm just -- whatever you meant when you
5 answered that question.

6 A. What I meant was that I considered people
7 that we work with internal customers. I mean, we did
8 it that way so that we would treat them as somebody
9 that needed to be worked with rather than a task that
10 needed to be done.

11 Q. Oh.

12 A. So that's why I called them internal
13 customers.

14 Q. Okay.

15 And so sales or marketing could be an
16 internal customer?

17 A. Sales, marketing, sales reps, you name it.

18 MS. CONROY: Can you see how to get that back
19 again? Thanks.

20 BY MS. CONROY:

21 Q. Mr. Projansky says: "This is my
22 presentation so far. I didn't add the ValueCentric
23 slides yet." And then he says he'll send you an
24 updated session. So we know that this is not quite

1 finished, but let's just take a look.

2 What is a channel operation, which is the
3 first slide? Or what -- what does -- what does
4 channel mean?

5 A. Some folks refer to the supply chain as
6 the supply channel. So it would be channel operations
7 as opposed to supply chain.

8 Q. Then if you take a look at the second
9 page, which is actually -- yeah, the second page --
10 the Distribution Performance Program (DPP)?

11 A. Um-hum. Yes.

12 Q. What was that?

13 A. Distribute -- the wholesalers were, as
14 part of the agreements, were required to perform and
15 we were pretty strict on the measurement of that
16 performance. So that parameters were set for their
17 performance in a scorecard fashion and looked at
18 monthly and score carded quarterly.

19 Q. And so there was a scorecard created for
20 each wholesaler that you did business with?

21 A. Yes.

22 Q. And what were you measuring in -- with the
23 scorecards?

24 A. There were numerous parameters, such as

1 days on hand, reporting, data reconciliation, various
2 things like that.

3 Q. And there is a -- an SOP with respect to
4 this, correct?

5 A. I believe so, yes.

6 Q. Okay. I think we'll have it so I won't
7 make you go through what you might remember as part of
8 it.

9 What is "alternative distribution
10 channel"?

11 A. I don't know what he meant by that.

12 Q. Okay. Then he has "ValueTrak" at the
13 bottom there, and if you turn the page, this is a
14 pretty simplified distribution channel. It goes from
15 Purdue to the wholesaler to the pharmacy to the
16 patient.

17 Do you see that?

18 A. Yep.

19 Q. And then he has the -- the Distribution
20 Performance Program here between Purdue and the
21 wholesaler, and so this is where those metrics are
22 developed between the wholesaler and Purdue for the
23 scorecard?

24 A. Correct.

1 Q. It -- it does not -- does the scorecard
2 include any end pharmacies or where the product is
3 going?

4 A. It's part of the measurements in -- in the
5 data.

6 Q. Okay.

7 Then if you take a look at the DPP
8 structure, there is a central distribution services
9 agreement that says it -- to pay for unique service.

10 What kind of service, if you can give me
11 an example of what that would be?

12 A. Central distribution services agreement,
13 Cardinal, McKesson, and I don't know if AmeriSource,
14 they were headed in that direction, had a central
15 distribution center. We used to ship to all of their
16 distribution centers.

17 So let's say on a given Monday, 26 trucks
18 would go out. With a central distribution services
19 agreement, one truck goes to a central location and
20 they distribute the product to 26 locations.

21 Q. Okay.

22 A. So there is efficiencies there. Also,
23 although it's a large order, there is safety and
24 security benefits to sending it to one location, so we

1 would execute those agreements if they were available.

2 Q. Okay.

3 The distribution performance agreement
4 that provided an incentive for account to enhance
5 performance and value to Purdue, what would -- what
6 would that be?

7 Is that --

8 A. That's the --

9 Q. -- how is that formulated --

10 A. -- same thing as the previous page. We
11 talked about that.

12 Q. Okay. That's the DPP?

13 A. Correct.

14 Q. Okay. And then an authorized distributor
15 agreement, this -- that's just the base agreement?

16 A. Yes.

17 Q. And could that be a fee-for-service?

18 A. No. It is just if you wanted to do
19 business with Purdue, these are the conditions you
20 needed to adhere to.

21 Q. Okay.

22 And then if you could turn the page,
23 the -- that baseline, that's what this is talking
24 about and you have a list of the fully executed

1 distribution agreements --

2 A. Um-hum.

3 Q. -- on the left-hand side and the ones that
4 were pending on the right?

5 A. Um-hum, yes.

6 Q. If you could turn to Page 8, please.

7 Is that true of DPPs, they were three-year
8 agreements?

9 A. Most were.

10 Q. And then if you look at the fourth bullet
11 point where it says: "Inventory and Sales Reports Due
12 Daily," the 852s and the 867s, that's what you were
13 talking about, the data that you would -- some was
14 provided weekly but you hoped for it to be provided
15 daily?

16 A. That is correct.

17 Q. And do you think by 2010 you had everybody
18 daily?

19 A. Pretty close. It certainly was sliced
20 daily.

21 Q. And then the DPA fee here, and you have
22 different percentages for the different companies.

23 Are they -- are those negotiated
24 percentages?

1 A. Yes.

2 Q. And would they be in effect for the entire
3 three years of the contract?

4 A. Yes, they would.

5 Q. And who would negotiate those percentages,
6 who would be the individuals responsible for that?

7 A. I would have the team that negotiated
8 those percentages. Steve Projansky would assist me, a
9 guy from procurement, actually, would also be on the
10 team, a guy named Abe Boms. And both Russ Gasdia and
11 the CFO would oversee us on the -- but the -- the
12 face-to-face negotiation was me.

13 Q. Okay. And then the partial clawback,
14 the tri -- the -- the length of time that Cardinal,
15 McKesson, ABC would keep their inventory for
16 appreciation purposes, would those days, 36 days,
17 26 days, were they negotiated?

18 A. Yes.

19 Q. And if you could turn to Page 11.

20 This talks about the -- the scorecard?

21 A. Yes.

22 Q. Wholesaler performance issues, OxyContin,
23 Cesar Castillo.

24 Who is -- is he a -- is that a Purdue

1 employee?

2 A. No. That's a wholesaler.

3 Q. Is that a company name?

4 A. Yes, company name.

5 Q. Do you know what this slide means: "So
6 why is this wholesaler listed for OxyContin?"

7 A. I don't know what -- I don't know -- I
8 don't know what he is getting to here.

9 Q. Okay. You don't know if there was a
10 particular performance issue with respect to OxyContin
11 with that wholesaler?

12 A. Yeah, I don't know. I don't know what he
13 was pointing out here. I'm sure he was going to speak
14 to each of these points, but --

15 Q. Okay.

16 A. -- I don't know what he was after.

17 Q. You can put this document away.

18 (WHEREUPON, a certain document was
19 marked Purdue-Seid Deposition Exhibit
20 No. 009, for identification, as of
21 12/12/2018.)

22 BY MS. CONROY:

23 Q. I'll show you what I have marked as
24 Exhibit 9, which is PPLPC032000374808 through 823.

1 This is clearly a draft and it says: "Channel
2 Operations Standard Operating Procedures," and it
3 starts with a glossary.

4 Does this document look familiar to you?

5 A. No.

6 Q. Do you recall there being a standard
7 operating procedure for channel operations?

8 A. I don't recall this one.

9 Q. Would you have been involved in drafting
10 something like this?

11 A. Not this one.

12 Q. Who -- if it wasn't you, who might it have
13 been?

14 A. I don't know. This was after I retired.

15 Q. Oh, is there a date -- where do you see
16 that? Help me out.

17 A. Well, it says the director of pharmacy
18 distribution sales, it is Robert Palma.

19 MS. PORTER: It is on the last page.

20 MR. HOFFMAN: The last page.

21 MS. CONROY: The last page, oh. Great. Okay.

22 BY THE WITNESS:

23 A. Which is, I guess, the name for national
24 accounts now.

1 BY MS. CONROY:

2 Q. I see. Okay. Thank you. You can put
3 that away then.

4 (WHEREUPON, a certain document was
5 marked Purdue-Seid Deposition Exhibit
6 No. 010, for identification, as of
7 12/12/2018.)

8 BY MS. CONROY:

9 Q. I show you Exhibit 10.

10 A. Thank you.

11 Q. Exhibit 10 is PPLPC004000344799 through
12 818. And this is a document from Gregory Bogdan dated
13 January 14th, 2013, to Steven Projansky and yourself
14 and the re line is: "Fee-for-service SOP."

15 Does this standard operating procedure for
16 fee-for-service quarterly credit process look familiar
17 to you?

18 A. Yes.

19 Q. Did you help to draft this?

20 A. This was drafted by finance.

21 Q. And would you have overseen it?

22 A. I would have approved it.

23 Q. And it's quite detailed. For example, if
24 you look on Page 3 where it talks at the very top

1 about: "Basis points are earned by wholesalers'
2 ability to adhere to four metrics: Raw service level
3 unit fill rate, effective inventory level, purchase
4 variability and EDI 352 and EDI 867" -- I'm sorry --
5 "852 and 867 data reconciliation."

6 Do you see those?

7 A. Yes.

8 Q. Who would keep track of those four
9 metrics, what department?

10 A. National accounts.

11 Q. Was this SOP intended to cover the entire
12 process of track -- of tracking the data and
13 overseeing the supply to the wholesalers that had a --
14 that had a fee-for-service contract?

15 A. I think it says it right on the front
16 page. It says: "Our fee-for-service SOP." So this
17 was generated by finance for their use.

18 Q. Where are you reading?

19 A. On the front page.

20 Q. Where it says: "Hi Steve and Steve"?

21 A. Yes.

22 Q. "Can you take a look at our
23 fee-for-service SOP, add any additional information
24 you deem necessary and/or provide feedback"?

1 A. Correct.

2 Q. Okay.

3 And then if you look at Page 2: "The
4 purpose of this SOP is to document the quarterly
5 fee-for-service (FFS) credit process?"

6 A. Correct.

7 Q. Do you see that?

8 And that credit process is a credit that
9 goes back to the wholesaler that had signed the
10 fee-for-service?

11 A. Correct.

12 Q. Do you know if this SOP became final?

13 A. I don't know.

14 Q. If it did, would it -- how would it work?
15 Would it get a number, like I've seen SOP 7.7,
16 SOP 1.7.1?

17 A. I don't know how -- it says on the front
18 there is a document number.

19 Q. I -- I see where it says Draft 1.14. Is
20 that what you are talking about?

21 A. Under SOP number, title, effective date,
22 version number and supersedes document number.

23 Q. So this looks like: Version No. 1,
24 supersedes document number," and then it has an "NA"

1 there.

2 A. Correct.

3 Q. So you don't know one way or the other
4 whether it ever received an SOP number?

5 A. This was the finance SOP.

6 Q. Okay. And I think you told me earlier if
7 you needed to review a standard operating procedure
8 you wouldn't have it, you would ask your assistant for
9 it?

10 A. I probably would have gotten this directly
11 since she wasn't copied.

12 Q. But this is a draft, correct?

13 A. This is a draft, yeah.

14 Q. So wouldn't -- wouldn't an SOP have to be
15 approved by others at the company?

16 A. Yeah. I'm on there for approval.

17 Q. I see that you are on there and you were
18 asked if there was any additional information you
19 wanted to add or any feedback.

20 Do you know if you did?

21 A. I don't remember.

22 Q. If you didn't, would this just
23 automatically become final?

24 A. It would still require me to -- to sign

1 off.

2 Q. Okay. So there would likely be some
3 formal SOP if this was ever finalized?

4 A. If this was finalized, you'd see a final
5 copy.

6 Q. Okay. So I would need to ask Purdue to
7 see a final copy of the SOP that dealt with quarterly
8 fee-for-service credit process?

9 A. I guess.

10 MR. HOFFMAN: Object to form.

11 BY MS. CONROY:

12 Q. Do you ever recall referring to a formal
13 SOP for fee-for-service credit process while you were
14 at Purdue?

15 A. I don't remember.

16 Q. Did you know it so well that you wouldn't
17 have to look at an SOP?

18 A. This is a finance department document for
19 their use.

20 Q. So this isn't anything you would ever use?

21 A. This -- this is the way they handle the
22 credit. This is an SOP for the way finance handles
23 the credit.

24 Q. So it doesn't affect you at national

1 accounts?

2 A. Not the way they handle their credit, no.

3 Q. Okay. Would you be required in

4 negotiations to have any conversations about the way

5 credit was to be handled or would someone from finance

6 handle that section of the negotiation with the

7 wholesaler?

8 A. The negotiation with the wholesaler would

9 be the areas on the scorecard and the credit would be

10 based on how well they did on the scorecard.

11 Q. And that is on Page 3 at the very top,

12 those are the four metrics that are listed?

13 A. Those are the four metrics.

14 Yeah, yeah, yes.

15 Q. Are those the scorecard metrics?

16 A. Yes.

17 Q. And so is that -- are they -- are these

18 always the scorecard metrics regardless of the

19 negotiation, regardless of who signs the

20 fee-for-service contract?

21 A. They were the scorecard metrics as of

22 1/14/2013.

23 Q. Do you recall any other metrics that were

24 used for the scorecards --

1 A. The --

2 Q. -- during your tenure at Purdue?

3 A. -- earlier versions of the scorecard had
4 more metrics. This was a refinement.

5 Q. Okay. If you'd look at Page 10 of the
6 document.

7 A. Oh, I'm sorry. We are still on it.

8 Q. There is an annex?

9 A. Um-hum, yes.

10 Q. And it says: "Wholesalers under
11 fee-for-service agreements"?

12 A. Yes.

13 Q. And we see a little bit of what we had
14 looked at before on the far right.

15 The effective inventory days, those differ
16 among the wholesalers, correct?

17 A. Yes.

18 Q. As well as the fee?

19 A. Yes.

20 Q. Was there an attempt -- I see the
21 effective date of July 1st, 2012, and the ending date
22 of June 30th, 2015.

23 Was there an effort to have all of the
24 wholesalers under fee-for-service agreements in

1 this -- in the same contract period?

2 A. We, yes, tried to.

3 Q. Then if you turn the page, there is a
4 sample SAP report.

5 What does "SAP" stand for?

6 A. Our operating system.

7 Q. Would this be something for finance or is
8 this anything that your national account department
9 would have used?

10 A. This would be finance.

11 Q. Would you ever have had occasion to look
12 at this type of data?

13 A. I would not have occasion to look at this.

14 Q. Then, if you go to Page 13, which is a
15 sample ValueTrak report, is that anything that you
16 would have taken a look at?

17 A. Yes.

18 Q. And you would have had this on your -- on
19 your desktop?

20 A. Yes.

21 Q. Do you see at the bottom on No. 2, it
22 says: "Enter the following parameters" and it gives
23 "timeframe," "start date," "to date" and then the last
24 one is "select build report."

1 Did you create reports yourself or is that
2 something you would have asked someone to do?

3 A. I did sometimes, or I'd -- but I'd often
4 ask someone to do it.

5 Q. And the purpose of this SOP is to
6 basically give instructions or step-by-step
7 instructions as to how to do these different
8 processes?

9 MR. STANNER: I'll just object to the form. It
10 is a draft SOP.

11 BY THE WITNESS:

12 A. The objective of this is for the finance
13 department to have an SOP in place as to how they
14 handle the fee-for-service quarterly credit.

15 BY MS. CONROY:

16 Q. Did your department have SOPs with respect
17 to any of your processes?

18 A. I believe there is an SOP in place.

19 Q. And what would it have been -- what would
20 it have been called or what would it have covered?

21 A. I'm -- I'm not sure.

22 Q. But you believe you had one?

23 A. I -- I think we had one. I'm not sure.

24 Q. Page 17 is the sample scorecard and then

1 it shows McKesson Corporation.

2 Do you see that?

3 A. Yes.

4 Q. Would you ever have occasion to look at
5 the scorecards or is that all finance?

6 A. No. Scorecards would be generated in
7 national accounts.

8 Q. And so this is something you would -- you
9 would look at?

10 A. Yes.

11 Q. And what would -- what would be the
12 purpose of you reviewing a scorecard?

13 A. I would review the scorecard against the
14 metrics, ask any pertinent questions as it relates to
15 what I see, because Steve Projansky would do the nuts
16 and bolts of this, and if I felt that there were no
17 issues, I would sign off.

18 Q. Would you -- when you say "sign off,"
19 would you be signing off on scorecards on some regular
20 basis?

21 A. Quarterly.

22 Q. And so if you've got a scorecard, for
23 example, for McKesson, I see here it says at the top
24 "Third Quarter 2012," this is something you would see

1 and then sign off on?

2 A. Correct.

3 Q. For example.

4 And would it be more than a page or is --
5 would it look like this?

6 A. It would gen -- generally be a page.

7 Q. And if we just take a look at it, it says:
8 "Gross invoice" -- "invoiced purchases for July,
9 August and September" and it tells you -- it breaks it
10 down by drug. So you see Butrans 3.6 million in July,
11 6.6 million in August, 2.6 million in September and
12 then a total for the quarter.

13 Do you see that?

14 A. Yes.

15 Q. Is -- what would be -- why would that
16 information be of interest to you in national
17 accounts?

18 A. On this scorecard?

19 Q. Correct.

20 A. Because to execute the scorecard, you
21 would need to input the sales data.

22 Q. And this would tell you how much McKesson
23 purchased during that quarter?

24 A. It would have all communications,

1 prescription drug purchases for the quarter.

2 Q. And the scorecard is only for prescription
3 drug purchases?

4 A. Designated, yes, prescription drugs.

5 Q. Is there anything -- if -- if you take a
6 look at OxyContin, which in July was 67.6 million,
7 August 85.1 million, September 63.6 million to a total
8 of 216.5 million for the third quarter in 2012, what
9 would -- what would those numbers be telling you for
10 this scorecard?

11 A. How much gross -- how much in gross
12 purchases they've made each month.

13 Q. And why would that be important to you?

14 A. Because you can't calculate the scorecard
15 performance without the gross purchase information.

16 Q. Okay. And then the gross purchase
17 information is used for what calculation?

18 A. Basically all of them.

19 Q. Okay. So if we go to the next box where
20 it says "adjusted" and there is a service level?

21 A. Yes.

22 Q. And then on the far right an earned fee.
23 Who is earning that fee?

24 A. McKesson.

1 Q. And is that fee calculated off of the
2 gross invoice purchases in the box above?

3 A. Yes.

4 Q. And that's done -- the -- there is a
5 computer program that's doing that for you, correct?

6 A. That is correct.

7 Q. And then if you look next at the
8 "effective inventory level" box and then there is a
9 fee earned on the far right-hand side.

10 Is that also a fee earned by McKesson?

11 A. Yes.

12 Q. If you go down -- down next to the
13 "purchase variability" and there is a fee earned on
14 the right-hand side.

15 Is that fee earned by McKesson?

16 A. Yes.

17 Q. And then there is the EDI 352/867 [sic]
18 reconciliation.

19 Do you recall what "EDI" stands for?

20 A. Electronic data interface.

21 Q. Okay. And the 852 is what went out or
22 what -- what was sent out and the 867 is what was then
23 sent out from McKesson?

24 A. Correct.

1 Q. And it says, "actual fee."

2 Is that a fee that's charged or a fee that
3 Purdue is paying or what is that -- who -- whose --

4 A. That is a fee that Purdue was paying or
5 crediting.

6 Q. So this is a credit to McKesson?

7 A. Correct.

8 Q. And it's a credit to McKesson for the data
9 that has been provided to Purdue for the EDI 852 and
10 867 reconciliations?

11 A. That one portion of the fee is what it's
12 for, yes.

13 Q. The -- the portion that's in this box?

14 A. Correct.

15 Q. So McKesson receives a credit of
16 \$433,001.20 for the data that it provided to Purdue
17 with respect to the sale of its sale of OxyContin in
18 the third quarter of 2012, correct?

19 A. That's correct.

20 Q. And the same, you look at that, they
21 received a credit of \$25,798.37 for Butrans in the
22 third quarter of --

23 A. Correct.

24 Q. -- 2012?

1 A. Correct.

2 Q. And then look to the next box, it says:
3 "Data reporting fee" and -- and there is something
4 under it that says: "Occurrences, missing products,
5 missing DCs, late transmission, missing elements,
6 duplicates," all zeroes.

7 Are those -- do those reference the 852s
8 and the 867s?

9 A. Yes.

10 Q. And that's -- that means that there were
11 no issues with the data that was provided to Purdue
12 from McKesson with respect to what they received and
13 what went out?

14 A. For that quarter.

15 Q. Okay. Then there is the box: "Gross
16 invoiced, excess invoiced and adjust excess invoice
17 appreciation and adjusted payment base."

18 Do you see that?

19 A. Yes.

20 Q. What -- what is -- what is this box
21 capturing for the third quarter of 2012?

22 A. It's capturing the aggregate of all of the
23 fees above and providing a gross payment base, and if
24 there is excess inventory, that's a clawback on our

1 part, so we get back \$4,928.47 for a price increase
2 related to Dilaudid.

3 Q. Okay. So this is taking the gross
4 invoiced purchases of Butrans, which is 12.8 million,
5 that comes from -- that comes from up here, the gross
6 invoice purchases total for the three months, correct?

7 A. Correct.

8 Q. And then there is a fee earned on that of
9 2.03 percent and that comes out to an adjusted payment
10 base of \$261,853.47.

11 Is that money that is credited to McKesson
12 or paid to McKesson?

13 A. Credited.

14 Q. And so when we look at the adjusted
15 payment base, which is 4.7 million there at the bottom
16 for all of the products?

17 A. Yes.

18 Q. Is that credit to McKesson 4.7 million?

19 A. That's what it appears.

20 Q. Okay.

21 And then there is a DPA payment box here
22 and it looks like zero data reporting fees, zero
23 unauthorized deductions. So the DPA payment to
24 McKesson is 4.7 million?

1 A. That's correct.

2 Q. And would that be a check that would be
3 written to McKesson or -- or a credit on their
4 account?

5 A. It's a credit.

6 Q. And how would you determine the amount of
7 money that Purdue was paid by McKesson during this
8 quarter for these five products?

9 MR. HOFFMAN: Object to form, foundation.

10 BY THE WITNESS:

11 A. How would --

12 BY MS. CONROY:

13 Q. Well, I see that on the gross invoiced
14 purchases in the first box. Do you see that?

15 A. Yes.

16 Q. Where it talks about, for example,
17 OxyContin, the total for the third quarter was
18 216 million?

19 A. Yes.

20 Q. Would that be money paid to Purdue?

21 A. Yes.

22 Q. Okay. And then there would be a credit,
23 there would be some amount of that 216 million that
24 would be credited back to McKesson?

1 A. That is correct.

2 Q. And if you add -- if you -- if you were to
3 add all of the gross invoiced purchases for the five
4 drugs for the third quarter, which is here in this
5 box, if you added those together, that money would
6 have been paid to Purdue and of that total 4.7 million
7 would have been credited back to McKesson?

8 A. Right.

9 Q. Is that correct?

10 A. Yes.

11 Q. So this would be the total would go to
12 Purdue minus the DPA payment of 4,720,903.87, correct?

13 A. Correct.

14 Q. And did it generally work this way --
15 what -- when did the scorecard come into effect, if
16 you can recall?

17 A. This is the '13 -- let's see.

18 Q. This is dated 2013.

19 A. 2010 or is it 2007? No. It first came
20 into effect 2004 or '5.

21 Q. Okay. And it may not have been exactly
22 the same, but it would work something like this from
23 2005 onward?

24 MR. STANNER: Objection to the form.

1 BY THE WITNESS:

2 A. Something like this, yeah.

3 MR. STANNER: Form, foundation.

4 BY MS. CONROY:

5 Q. And from 2004 onward, would you have
6 reviewed and signed off on the scorecards each
7 quarter?

8 A. Yes.

9 Q. Okay. You can put that away.

10 MS. PORTER: Are you okay?

11 THE WITNESS: Yeah.

12 (WHEREUPON, a certain document was
13 marked Purdue-Seid Deposition Exhibit
14 No. 011, for identification, as of
15 12/12/2018.)

16 BY MS. CONROY:

17 Q. I'll show you Exhibit 11. 11 is
18 PPLPC004000371161 through 1205. And this is dated
19 September 9th of 2013, and it's to Steve Projansky
20 from Nurudin Veerjee and you are one of the CC's, and
21 this is the Purdue-McKesson Authorized Distribution
22 Agreement.

23 Do you see that?

24 A. Yes.

1 Q. And is this -- we've been talking about
2 distributor agreements.

3 Is this what one looks like?

4 A. This is an authorized distributor of
5 record agreement.

6 Q. And what do you understand that to be?

7 A. A document that any authorized distributor
8 that wants to distribute Purdue products has to be
9 approved as an authorized distributor of record. So
10 they have to sign an A -- an authorized distributor
11 agreement.

12 Q. And until they would sign something like
13 this, they -- you would not ship product to them,
14 correct?

15 A. No. There was a previous agreement in
16 place, so this was an updated agreement, so we'd be
17 still shipping them under the old agreement.

18 Q. Yeah, I -- I didn't mean they didn't have
19 one before, but, I mean, you would -- in -- in the
20 first instance until --

21 A. If --

22 Q. -- until there was some agreement with a
23 wholesaler, you, Purdue, would not ship?

24 A. Correct.

1 Q. Would you have been involved in the
2 negotiation of this agreement?

3 A. I certainly would have reviewed it.

4 Q. Was there an effort to have the authorized
5 distributor agreements similar in terms with respect
6 to all of the wholesalers that signed these
7 agreements?

8 A. Yes.

9 Q. And why is that?

10 A. We would have specific criteria of what we
11 felt an authorized -- a distributor should accept as
12 performance obligations to distribute our products.
13 So we would send out a similar base agreement to every
14 authorized distributor or every distributor that we
15 wanted to get on our authorized distributor list.

16 Q. Okay.

17 If you take a look at Page 6, it talks
18 about promotional allowances. And there were
19 promotional allowances on over-the-counter products,
20 correct?

21 A. Correct.

22 Q. And that would -- that might be different
23 sales or discounts or coupons or things that would be
24 offered for over-the-counter products?

1 A. Correct.

2 Q. And then there were also, if you look at
3 (b): "Purdue may offer promotional support such as
4 distribution allowances that will be paid to the
5 wholesaler for these additional services."

6 Was that also -- I've seen some documents,
7 and we can look at them, that talked about payments
8 for e-mail blasts or fax blasts or that type of thing
9 about prescription products.

10 Do you recall that?

11 A. Yes.

12 Q. And so this is covering that type of
13 allowance or payments that would be made to McKesson
14 or any other distributor that signed this agreement
15 when they fulfilled those promotional activities for
16 Purdue?

17 MR. STANNER: Just objection; form and
18 foundation since you are talking about a draft
19 unsigned agreement.

20 MR. HOFFMAN: Same objections.

21 BY THE WITNESS:

22 A. It would -- it would be based on -- yes,
23 they would be paid a fee based on performance.

24 BY MS. CONROY:

1 Q. This agreement has a -- is not signed,
2 correct? Or we don't -- I don't see a signature on
3 this.

4 Do you see that?

5 A. This is not signed yet.

6 Q. Do you have any reason to believe that
7 McKesson in 2013 did not have an active distribution
8 agreement with Purdue?

9 A. I have no reason to believe that.

10 Q. Any reason to believe they would not have
11 had a promotional allowance as a -- as a part of that
12 agreement?

13 MR. STANNER: Objection.

14 MR. HOFFMAN: Object to form, foundation.

15 BY THE WITNESS:

16 A. I don't know what was -- it -- I'm looking
17 at the one from 2013. I don't know -- don't know what
18 was in the other one.

19 BY MS. CONROY:

20 Q. Okay. But if you did, if we see some
21 documents and you -- and Purdue paid for e-mail blasts
22 or fax blasts or any of those types of items, would it
23 be fair to say that there would be some method for
24 McKesson to be paid for doing that?

1 A. It -- I can't suppose that, so I don't --
2 I don't know. I'd have to see the document.

3 Q. Okay.

4 Were the promotional allowances a fairly
5 typical inclusion in the distributor agreement -- in
6 the distribute -- distribution agreements?

7 MR. HOFFMAN: Object to form, timeframe.

8 BY THE WITNESS:

9 A. For this one dated 9/9/2013?

10 BY MS. CONROY:

11 Q. No. Just generally.

12 A. Well...

13 Q. Well, I mean, during your tenure, you were
14 the person who would be --

15 A. I would --

16 Q. -- involved, correct?

17 A. This -- for that -- this time period,
18 2013?

19 Q. No. I'm asking you generally when you
20 would be involved in distribution agreements?

21 A. This is not a distribution agreement.
22 This is an authorized distributor agreement.

23 Q. You are calling it a what?

24 A. It is an authorized distributor

1 distribution agreement, but he put the wrong subject.

2 Q. I'm sorry. I was reading distribution
3 agreement.

4 So it's -- what -- what is it, is it a
5 distribution agreement or a distributor agreement?

6 A. Top of Page 1, "Authorized Distributor
7 Agreement."

8 Q. Okay. And so that's the correct title?

9 A. That is the correct title.

10 Q. Okay. So this is not correct on the
11 e-mail, it's not an authorized distribution agreement?

12 A. Correct.

13 Q. Okay. It's this.

14 As the head of national sales and trade
15 relations, were you familiar with authorized
16 distributor agreements?

17 A. Yes.

18 Q. And were you involved in at least
19 overseeing the terms on those agreements and approving
20 them?

21 A. Yes.

22 Q. And where did you keep the signed
23 authorized distributor agreements?

24 A. In a file in my office.

1 Q. In your office.

2 A. Well, not my office. In my --

3 Q. It -- well --

4 A. -- section.

5 Q. In the -- in national --

6 A. Accounts.

7 Q. In national accounts?

8 A. Yes.

9 Q. And so at any given time if someone had
10 wanted to see who were the authorized distributors
11 that had signed agreements, they could go and look in
12 your office?

13 A. Yes.

14 Q. And they could see what the terms were?

15 A. Yes.

16 Q. Were -- were agreements kept from year to
17 year?

18 A. These were generally done -- this was done
19 three -- this was along with the three-year
20 fee-for-service agreement.

21 Q. Would it be done at the same time as the
22 fee-for-service agreement?

23 A. We tried to -- we tried to do them at the
24 same time.

1 Q. And when a new agreement came into effect,
2 this says -- this is a little bit confusing. Maybe
3 you can -- maybe you can help. The e-mail, it says --
4 is dated September 9th of 2013.

5 A. Um-hum.

6 Q. And it attaches an authorized distributor
7 agreement that's effective as of July 1st, 2012.

8 Do you see that, with McKesson?

9 A. Yes.

10 Q. Do you -- do you have any explanation, did
11 you just -- was there an assumption that this would be
12 in effect starting in 2012 or was there something new
13 that was signed and it was changed to a different
14 date?

15 MR. STANNER: Object.

16 MR. HOFFMAN: Object to form, foundation.

17 BY THE WITNESS:

18 A. This -- this went through negotiation on
19 language between Purdue and McKesson, and that's why
20 there was the delay. But Veerjee is sending to Steve,
21 as it says here, "as the new language has been
22 approved."

23 So this was over a period of time.

24 BY MS. CONROY:

1 Q. So the language was negotiated from
2 July 1st of 2012 until September 9th of 2013?

3 A. I'm not sure about that. I don't -- since
4 this is a draft, I don't know what document was
5 originally attached and how many iterations this went
6 through.

7 Q. Is it fair to say that something was in
8 effect if Purdue was shipping to McKesson in the years
9 2012 and 2013?

10 A. As I had stated before is that this was a
11 revised ADA and that there was an ADA that they were
12 shipping under prior -- prior to that.

13 Q. Okay. And that ADA that they were sh --
14 that Purdue was shipping under would have -- that
15 signed copy would have been in your --

16 A. Right.

17 Q. -- national accounts offices?

18 A. And that even if it was, yes, just the
19 letter that was with us, yeah.

20 (WHEREUPON, a certain document was
21 marked Purdue-Seid Deposition Exhibit
22 No. 012, for identification, as of
23 12/12/2018.)

24 BY MS. CONROY:

1 Q. I show you the next exhibit.

2 A. Thank you.

3 Q. Exhibit 12 is an e-mail from Char --

4 Cheryl Siciliano, that's Cheryl Reuss --

5 A. Yes.

6 Q. -- to you dated June 27th of 2006, and the

7 subject is "Shelton's memo."

8 Do you see that?

9 A. Um-hum.

10 Q. And Benson -- Shelton Benson was one of

11 your national account managers?

12 A. Correct.

13 Q. And this is a memo that you drafted dated

14 June 26th of 2006 to Shelton concerning a meeting on

15 June 15th, 2006?

16 A. Yes.

17 Q. If you look down here at "Rx Promotion,"

18 and you say: "McKesson targets 6,000 to 7,000 stores

19 in their First Script Program."

20 Do you see that?

21 A. Correct.

22 Q. And then you say:

23 "They have numerous vehicles. I am not

24 keen on the return on investment of things such as fax

1 blast programs unless they can show a prove in
2 return."

3 Do you see that?

4 A. Yes.

5 Q. When you say "they have numerous
6 vehicles," what are you talking about?

7 A. They have numerous marketing vehicle --
8 vehicles.

9 Q. And one of those marketing vehicles is a
10 fax blast program?

11 A. Yes.

12 Q. And this is marketing for OxyContin, among
13 other products, correct?

14 A. Correct.

15 Q. What's a fax blast program?

16 A. A fax blast program can vary from
17 wholesaler to wholesaler, but generally they'll send
18 out information on a product or a new product or a new
19 strength or a new whatever.

20 Q. And they would send it out?

21 A. To their pharmacies.

22 Q. And it would come across to the pharmacies
23 on a fax machine?

24 A. Right.

1 Q. Since this was 2006?

2 A. '6, yeah.

3 Q. And would they -- would the information on
4 the fax blast program come from Purdue?

5 A. It would be an agreed upon information to
6 be sent.

7 Q. So Purdue and McKesson would agree on the
8 information that would be sent --

9 A. Right.

10 Q. -- in the fax blast?

11 A. Correct.

12 Q. Is it correct that Purdue and McKesson
13 would agree on any marketing that would Mc -- that
14 McKesson would send out to any of its customers?

15 MR. STANNER: Objection; form, foundation and
16 vague, compound.

17 BY THE WITNESS:

18 A. Are you talking about with Purdue, with
19 everybody, with any kind of program? That...

20 BY MS. CONROY:

21 Q. No. I'm talking about the programs we are
22 talking about, McKesson has numerous vehicles, you
23 told me that was marketing, correct?

24 A. Yeah, correct.

1 Q. And then you told me that the fax blast
2 program, those -- the information that would be
3 relayed in the flax -- the Fax Blast program would be
4 something that Purdue and McKesson got together and
5 agreed upon, correct?

6 A. Correct.

7 MR. STANNER: Object to form, foundation.

8 BY MS. CONROY:

9 Q. So my question is for any other marketing
10 vehicles concerning Purdue products, would Purdue and
11 McKesson work together to develop the information that
12 would be sent out to McKesson's customers?

13 MR. STANNER: Same objection.

14 MR. HOFFMAN: Object to form, foundation.

15 BY THE WITNESS:

16 A. McKesson would have the vehicle. In this
17 case we would be the customer, because we are paying
18 for it. We would expect certain things to go out if
19 we were going to engage them in a program. And they
20 would then tell us what they were capable of doing for
21 that program.

22 BY MS. CONROY:

23 Q. With respect to the content of the
24 information that would be sent out, where would that

1 come from?

2 A. It would --

3 MR. STANNER: Objection; form, foundation, vague
4 and compound.

5 BY THE WITNESS:

6 A. It depends --

7 MS. PORTER: Now, now you can answer.

8 BY THE WITNESS:

9 A. It depends on what type of product
10 promotion it would be.

11 BY MS. CONROY:

12 Q. Let's say it's promotion with respect to
13 OxyContin.

14 A. We wouldn't -- we would --

15 MR. STANNER: Objection; form, foundation.

16 BY THE WITNESS:

17 A. It would be highly unlikely that we would
18 send a fax blast on OxyContin.

19 BY MS. CONROY:

20 Q. That's not my question.

21 A. If they were sending out something on an
22 Rx product they could not adulterate any of our
23 material.

24 Q. So you -- so Purdue would provide the

1 material to McKesson?

2 A. Or if they put a cover on it, like a cover
3 letter, we'd have to approve that.

4 Q. And where is that protocol? How -- was
5 there some sort of an agreement that that would be the
6 way it would work?

7 A. An agreement with who?

8 Q. With McKesson.

9 A. There was no agreement with McKesson,
10 because if they wouldn't agree with it, we wouldn't do
11 it.

12 Q. So you would ask McKesson to market
13 OxyContin in a particular way?

14 MR. STANNER: Objection; form, foundation.

15 MR. HOFFMAN: Object to form.

16 BY THE WITNESS:

17 A. We -- if -- if for some reason we would do
18 OxyContin, which, again, would be highly unlikely, is
19 they would have -- they couldn't change a comma on
20 what was being sent out.

21 BY MS. CONROY:

22 Q. And you would pay them for that service?

23 A. Yes.

24 Q. And that would be true of Butrans?

1 A. Yes.

2 Q. And/or Intermezzo?

3 A. Yes.

4 Q. Or MS Contin?

5 A. Yes.

6 Q. What about over-the-counter products,
7 could they change a comma in a product that you were
8 paying them to promote that was over-the-counter?

9 MR. HOFFMAN: Object to form.

10 BY THE WITNESS:

11 A. We would still like them to adhere to what
12 our promotional material says.

13 BY MS. CONROY:

14 Q. When it says here: "They will need to get
15 creative with OxyContin Tablets programs," the "they"
16 means McKesson, correct?

17 A. Right.

18 Q. And what was the OxyContin Tablets
19 programs?

20 A. I can't tell you from 12 years ago what
21 that was specific to.

22 Q. If they got creative with an OxyContin
23 tablets program, is that something they would do on
24 their own?

1 MR. HOFFMAN: Object to form.

2 MR. STANNER: Objection; vague, form,
3 foundation.

4 BY THE WITNESS:

5 A. I can't tell you from 12 years ago what
6 that was about.

7 BY MS. CONROY:

8 Q. You can put that one away.

9 MS. PORTER: Are you okay?

10 THE WITNESS: I'm good.

11 MS. PORTER: About another 30 minutes, folks, is
12 that okay?

13 MS. CONROY: We'll do this next document.

14 MS. PORTER: I was saying about another
15 30 minutes, does that sound okay?

16 MS. CONROY: Oh, 30. I thought you said three
17 minutes.

18 MS. PORTER: That would be pretty specific.

19 The witness is okay for another
20 30 minutes.

21 MS. CONROY: Okay.

22 MS. PORTER: As am I.

23 MS. CONROY: That's fine.

24 MS. PORTER: If everyone else is okay, too.

1 MS. CONROY: Thank you, Mr. Seid.

2 (WHEREUPON, a certain document was
3 marked Purdue-Seid Deposition Exhibit
4 No. 013, for identification, as of
5 12/12/2018.)

6 BY MS. CONROY:

7 Q. I show you what I have marked as
8 Exhibit 13, PPLPC004000249167 through 69. This is an
9 e-mail dated Monday, September 9th of 2010. To you
10 from Shelton Benson concerning OxyContin DirectRx ad
11 report dated 8/16/10. And...

12 MS. CONROY: Actually, this -- oh, here it is.
13 Does everybody have an attachment like this?

14 MR. HOFFMAN: No.

15 BY THE WITNESS:

16 A. No.

17 MS. CONROY: Let me see. Maybe it's -- what?

18 Oh, that's right. Yep. Let me just make
19 sure that I don't show anything that I'm not supposed
20 to show.

21 BY MS. CONROY:

22 Q. Okay. If we go to the beginning of this
23 e-mail, there is an e-mail from May Chow at McKesson
24 to Shelton Benson on August 4th of 2010 and Shelton

1 asked some questions about McKesson Connect.

2 Do you see that? The subject line is
3 "McKesson Connect."

4 A. Yes.

5 Q. And then May responds on August 5th to
6 Shelton and says:

7 "Please see attached. DirectRx
8 advertising places an ad with links to your
9 educational materials and ordering page on McKesson
10 Connect, our customer portal. Hope this answers your
11 questions. Let me know if you need anything else."

12 Do you see that?

13 A. Yes.

14 Q. Have you ever had occasion to go to
15 McKesson Connect?

16 A. Have -- have I had --

17 Q. To go to the McKesson Connect ordering
18 page, which is the customer portal for McKesson, is
19 that anything you've ever looked at?

20 A. I may have been shown it by the marketing
21 folks at McKesson, but I would not go to it directly
22 myself.

23 Q. Okay. And then if you go to the next
24 e-mail, Shelton asked May: "How many customers does

1 McKesson Connect reach?"

2 Do you see that?

3 A. Yes.

4 Q. And then she responds to him and says:

5 "Reaches about 38,000 customer accounts (on average,
6 one account represents 2 to 3 users). This includes
7 all customer segments."

8 Do you have an understanding of what
9 "customer segment" means?

10 A. I don't from this.

11 Q. Okay.

12 "We can target ads to specific segments.
13 For example, we would not show ads for retail products
14 to hospitals and hospital items to retail pharmacies."

15 Do you see that?

16 A. Yes.

17 Q. Was that your understanding of the way
18 McKesson ads could be targeted?

19 MR. HOFFMAN: Object to form.

20 MR. STANNER: Object. Yeah, object to the --

21 BY THE WITNESS:

22 A. According to this --

23 MS. PORTER: Hold on. Let him finish talking.

24 MR. STANNER: Form and foundation.

1 MS. PORTER: Now go. Now you can answer.

2 BY THE WITNESS:

3 A. According to this, it says they can
4 separate hospital from retail and vice versa.

5 BY MS. CONROY:

6 Q. Would you -- it has been a while. Is that
7 something you would have known at the time?

8 A. I don't know.

9 Q. And then up at the top, which is a Shelton
10 Benson e-mail from Friday, August 6th, to May Chow,
11 Shelton says:

12 "The McKesson Connect program is a go.
13 Turn on the hospital group as well. Let me know if
14 you need anything else."

15 Do you see that?

16 A. Yes.

17 Q. So that means Shelton is telling McKesson
18 they can go ahead with the advertisement, correct?

19 A. Correct.

20 MR. STANNER: Object to form and foundation.

21 BY MS. CONROY:

22 Q. And then May responds: "Thanks, Shelton.
23 I'll have this set up to go on 8/16."

24 And then May on September 13th attaches

1 the statistics for the OxyContin DirectRx ad program
2 that are attached.

3 Do you see that reference?

4 A. Yes.

5 MR. STANNER: Can I just -- I'm sorry. Can I
6 ask, does the exhibit have the attachment, because the
7 one I have doesn't have an attachment?

8 MS. PORTER: It -- it does not.

9 MS. CONROY: It has --

10 MS. PORTER: The witness says it does not have
11 an attachment.

12 MS. CONROY: You don't have this on --

13 THE WITNESS: No.

14 MS. FITZPATRICK: He should.

15 MS. CONROY: Oh, it should. I don't know --
16 I'll put it up on the screen so he can see it.

17 The Bates is PPLPC004000249170. It should
18 be the next -- I don't know -- let's make sure it's
19 not stuck on some other. We can get copies of it.

20 BY MS. CONROY:

21 Q. But you can see it up there. This is the
22 DirectRx advertising program results from McKesson.

23 Have you ever seen something like this
24 before?

1 A. Yes.

2 Q. And it has the date of the online ad was
3 August 16th, the duration of the ad, it was on for one
4 week and it has the dates.

5 Do you see that?

6 A. Yes.

7 Q. "Number of ad impressions, 174,209."

8 Do you see that?

9 A. Yes.

10 Q. Do you know what that means, "ad
11 impressions"?

12 A. I believe it was the number of views. I'm
13 not sure.

14 Q. Number of? I'm sorry.

15 A. Number of views.

16 Q. Okay.

17 A. It was done electronically.

18 Q. And then the number of clicks to order
19 system is 127?

20 A. Um-hum.

21 Q. Is that how many people clicked and
22 actually ordered the product?

23 MR. STANNER: Objection; foundation.

24 BY THE WITNESS:

1 A. I don't know. I would assume.

2 BY MS. CONROY:

3 Q. Okay. And then it says: "Number of file
4 downloads, OxyContin reformulation FAQ fax sheet PDF
5 187."

6 Do you see that?

7 A. Yes.

8 Q. And then it says: "Overall product lift."
9 What does that mean?

10 MR. STANNER: Objection; foundation.

11 BY THE WITNESS:

12 A. I'm not sure what they mean by that
13 because that just looks like products that they
14 ordered for those weeks.

15 BY MS. CONROY:

16 Q. So when you say "products that they
17 ordered," McKesson in the week 8/16 to 8/22, there
18 were 15,000 units sold.

19 Do you see that?

20 A. Yes.

21 Q. So does that mean that they -- they
22 certainly ordered 15,000 in that week or maybe more
23 but they sold 15,000?

24 MR. HOFFMAN: Objection to form, foundation.

1 MR. STANNER: Objection to form, foundation.

2 BY THE WITNESS:

3 A. I -- again, I'm not sure what they mean by
4 that because -- I'm just not sure what they mean by
5 that.

6 BY MS. CONROY:

7 Q. If you'd look back at what -- if you'd
8 look back at the e-mail, Shelton sends the results of
9 the McKesson ad that was run, which is this
10 attachment, to you, correct?

11 A. Um-hum.

12 Q. And why would he have sent that to you?
13 Was that typical that he would send results of an ad
14 that was run?

15 A. Yes. He reported to me.

16 Q. Where would I go to determine what was the
17 price for running this ad?

18 A. I have no rec -- recollection of that, so
19 I don't know where you'd go.

20 Q. Well, I -- I'm not expecting you to
21 remember what it was. I just mean where would I -- if
22 I wanted to know what Purdue paid for this DirectRx
23 advertising for OxyContin during the week 8/16 to
24 8/22, where would that kind of information be at

1 Purdue?

2 A. I don't know.

3 Q. Would it have been -- it would be recorded
4 somewhere, correct?

5 A. Yes, it would.

6 Q. Would that come out of a national accounts
7 budget or marketing budget or --

8 A. It would come out of a marketing budget.

9 Q. Would Shelton Benson have had to get
10 permission from marketing to spend that money with
11 McKesson?

12 A. Well, I'd have to get permission to get
13 that.

14 Q. That would be something you would do?

15 A. Right.

16 Q. Would you -- if you can recall, would you
17 have passed on the results of this advertising to
18 marketing?

19 A. I believe I would.

20 Q. So it's -- it -- in some fashion this
21 information from McKesson, the program results would
22 have made their way to marketing?

23 A. I believe so.

24 Q. You can put that away.

1 MS. PORTER: Do you want me to take that
2 page and put it with the witness' exhibit?

3 MS. CONROY: I think -- I do. I'm perfectly
4 happy to have it, but we can make copies of it. So
5 why don't I give it to the person who --

6 MR. HOFFMAN: We can -- we can add it tomorrow.

7 MS. CONROY: Oh, that's fine. I just -- let's
8 just --

9 MS. PORTER: Do you have a paperclip?

10 MS. CONROY: I do.

11 MS. PORTER: There are not many office supplies
12 you guys don't have over there somewhere, so...

13 MR. STANNER: When you attach it, can we do one
14 that's not highlighted?

15 MS. CONROY: Yeah, I'm -- I'm going to look --
16 we can -- somewhere we had these copies made.
17 Somewhere there's a --

18 MR. STANNER: We may copy the highlighting and
19 it will not show anyway.

20 MS. CONROY: Yeah. We can straighten that -- we
21 can straighten that out or get a -- or we -- we can
22 run it out of Relativity again.

23 MS. PORTER: I'm just going to put a Post-it on
24 there with a note so that we remember to fix that

1 tomorrow.

2 MS. CONROY: I'm going to mark as 14 and 15 a
3 little bit more information about this.

4 (WHEREUPON, certain documents were
5 marked Purdue-Seid Deposition Exhibit
6 No. 014 and No. 015, for
7 identification, as of 12/12/2018.)

8 MS. CONROY: That's 15 -- no. That's 14.
9 I'll -- I'll read them out as we go.

10 BY MS. CONROY:

11 Q. 14 and 15.

12 Exhibit 14 is an e-mail, top, it's
13 PPLPC004000245298 through 299 and Exhibit 15 is
14 PPLPC004000245474 through 75.

15 If you'd take a look first at Exhibit 14,
16 there is an e-mail from Shelton Benson to you on
17 August 4th and he says: "Just wanted to get your
18 okay. Is it okay for me to let May" -- that's
19 May Chow from McKesson, correct?

20 A. Correct.

21 Q. -- "know that it's okay to go ahead with
22 the program to run 8/16 through the 22nd?" And then
23 you ask him: "How much?" And Shelton says: "I'm not
24 asking for your okay on the program cost. We already

1 discussed it. This is the program we decided to go
2 with rather than the fax blast programs."

3 Do you see that? It's on the last page.

4 Do you see that e-mail?

5 A. Yes.

6 Q. Okay.

7 And then he says: "I gets," but I think
8 it should be "it gets," "prime exposure for one week
9 and then goes on the website permanently."

10 Do you see that?

11 A. Yes.

12 Q. That means it goes on the McKesson Connect
13 website, correct?

14 A. Yes.

15 Q. "I was asking for your okay with the ad
16 that they will be using that will drive the customer
17 to the order page with the reformulated OxyContin and
18 will include the FAQ sheet that we sent them."

19 Do you see that?

20 A. Yes.

21 Q. And so the FAQ sheet is the sheet that
22 Purdue, Shelton, sent to McKesson, correct?

23 A. Um-hum. Yes.

24 Q. "The cost is \$4500 compared to 7,000 for

1 the other programs that did not get as much exposure."

2 Do you see that?

3 A. Yes.

4 Q. And you have a question at the bottom of
5 the first page. You thought it was \$3,500.

6 Do you see that?

7 A. Yes.

8 Q. And then Shelton says: "The original
9 program we discussed were 6500 to 7,000. When we met
10 with Martha and May we decided that McKesson Connect
11 for \$4500 had more reach and was better bang for our
12 buck."

13 Do you see that?

14 A. Yes.

15 Q. And then you asked him what the reach is.

16 Do you see that?

17 A. Yes.

18 Q. And he says that the information is at
19 home and that the fax blast was -- "would only go out
20 to 2600, limited to two pages, which would not work
21 with FPI."

22 Do you see that?

23 A. Yes.

24 Q. Do you know what FPI is?

1 A. Full package insert.

2 Q. Okay. And then if you look at Exhibit 15,
3 and Shelton, it is just a little bit convoluted with
4 the e-mail chain, but Shelton responds to you when you
5 asked what the reach is, and he says:

6 "With the McKesson Connect the
7 reformulated OxyContin will reach 38,000 customers two
8 to three times in all COTs."

9 Do you see that?

10 A. Um-hum.

11 Q. What's is a COT?

12 A. Class of trade.

13 Q. Class of trade?

14 A. Yes.

15 Q. What does that mean?

16 A. Hospitals, retail pharmacies.

17 Q. So these are groups that would order
18 OxyContin?

19 A. That may have ordered the reformulated
20 OxyContin.

21 Q. Okay. So this -- this is reaching
22 customers who would potentially order the reformulated
23 OxyContin from McKesson?

24 A. Correct.

1 Q. And then he goes on, he says:

2 "We get the primary spot for one week
3 (August 16th through the 22nd), after that it will be
4 on the McKesson Connect website indefinitely. The
5 cost is \$4500 compared to the original programs that
6 we discussed, Fax Blast and RxBulletin, that would be
7 a total of \$8500. We talked about that we may want to
8 do RxBulletin \$3,500 in November as a follow-up. That
9 pro" -- "program is more of a HealthMart program."

10 Do you see that?

11 A. Yes.

12 Q. Do you know what that means, a program is
13 more of a HealthMart program?

14 A. HealthMart is their branding for
15 independent pharmacies under their -- it's a McKesson
16 program.

17 Q. And so if there were advertisements for
18 the reformulated OxyContin that were run through the
19 HealthMart program, that would only reach the
20 independent pharmacies?

21 MR. STANNER: Objection; foundation.

22 BY THE WITNESS:

23 A. I can't give specifics based on just this
24 one sentence, but HealthMart is an independent

1 pharmacy program that McKesson has.

2 MS. PORTER: Is it a good time to call it a day?

3 MS. CONROY: Sure. That's fine.

4 Thank you, Mr. Seid.

5 THE WITNESS: Thank you.

6 MR. STANNER: Are we off the record?

7 THE VIDEOGRAPHER: We are off the record at

8 6:27 p.m.

9 (WHEREUPON, the deposition was
10 adjourned until 9:00 a.m., Thursday,
11 December 13, 2018.)
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1 REPORTER'S CERTIFICATE

2

3 I, JULIANA F. ZAJICEK, C.S.R. No. 84-2604,
4 a Certified Shorthand Reporter, do hereby certify:

5 That previous to the commencement of the
6 examination of the witness herein, the witness was
7 duly sworn to testify the whole truth concerning the
8 matters herein;

9 That the foregoing deposition transcript
10 was reported stenographically by me, was thereafter
11 reduced to typewriting under my personal direction and
12 constitutes a true record of the testimony given and
13 the proceedings had;

14 That the said deposition was taken before
15 me at the time and place specified;

16 That I am not a relative or employee or
17 attorney or counsel, nor a relative or employee of
18 such attorney or counsel for any of the parties
19 hereto, nor interested directly or indirectly in the
20 outcome of this action.

21 IN WITNESS WHEREOF, I do hereunto set my
22 hand on this 17th day of December, 2018.

23

24 JULIANA F. ZAJICEK, Certified Reporter

1 DEPOSITION ERRATA SHEET

2

3 Assignment No. 200039

4 Case Caption: In Re: National Prescription

5 Opiate Litigation

6

7 DECLARATION UNDER PENALTY OF PERJURY

8

9 I declare under penalty of perjury that I
10 have read the entire transcript of my Deposition taken
11 in the captioned matter or the same has been read to
12 me, and the same is true and accurate, save and except
13 for changes and/or corrections, if any, as indicated
14 by me on the DEPOSITION ERRATA SHEET hereof, with the
15 understanding that I offer these changes as if still
16 under oath.

17

18 STEPHEN SEID

19

20 SUBSCRIBED AND SWORN TO

21 before me this day

22 of , A.D. 20__.

23

24 Notary Public

1 DEPOSITION ERRATA SHEET

2 Page No. _____ Line No. _____ Change to: _____

3 _____

4 Reason for change: _____

5 Page No. _____ Line No. _____ Change to: _____

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20 Page No. _____ Line No. _____ Change to: _____

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22 Reason for change: _____

23 SIGNATURE: _____ DATE: _____

24 STEPHEN SEID

1 DEPOSITION ERRATA SHEET

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22 Reason for change: _____

23 SIGNATURE: _____ DATE: _____

24 STEPHEN SEID